

Base Prospectus dated 18 June 2019



**LEONTEQ SECURITIES AG, ZURICH, SWITZERLAND**  
*(incorporated in Switzerland)*  
as Issuer

which may also be acting through its Guernsey branch (Leonteq Securities AG, Guernsey Branch) or its Amsterdam branch (Leonteq Securities AG, Amsterdam Branch)

### **European Issuance and Offering Programme**

**Base Prospectus for Bonus Certificates, Inverse Bonus Certificates, Reverse Convertibles, Barrier Reverse Convertibles, Express Certificates, Express Notes, Tracker Certificates, Open End Tracker Certificates, Mini Future Certificates, Discount Certificates, Inverse Discount Certificates, Master Discount Certificates, Certificates with unconditional minimum redemption, Inverse Express Certificates, Warrants, Participation Certificates, Spread Certificates, Short Participation Certificates, Knock-Out Warrants, Dual Currency Notes and Stability Notes**

This Base Prospectus dated 18 June 2019 is a base prospectus relating to non-equity securities according to Art. 22 Para. 6 No. 4 of the Commission Regulation (EC) No. 809/2004 dated 29 April 2004, as amended (the "**Prospectus Regulation**"). Competent authority for the approval of the Base Prospectus pursuant to Section 6 and Section 13 of the German Securities Prospectus Act (the "**WpPG**") that implements Directive 2003/71/EC dated 4 November 2003 (as amended, including Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010) (the "**Prospectus Directive**") into German law is the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin)*) (the "**Competent Authority**" or "**BaFin**"). It should, however, be noted that pursuant to Section 13 paragraph 1 of the WpPG the review by BaFin was limited to completeness of the Base Prospectus (including coherence and comprehensibility of the presented information). In respect of the individual series of Products (as defined below) issued under the Base Prospectus in case of public offerings and/or admission to trading on a regulated market final terms (the "**Final Terms**") will be filed with the Competent Authority. Any decision to purchase the Products should be made on a consideration of the whole Base Prospectus, as supplemented from time to time, including the documents incorporated by reference and including the Final Terms. The Final Terms will specify whether or not an application for listing or for trading by or on any listing authority, stock exchange or quotation system will be made.

Under the terms of its European Issuance and Offering Programme (the "**European Programme**"), Leonteq Securities AG, which may also be acting either through its Guernsey branch (Leonteq Securities AG,

Guernsey Branch) or its Amsterdam branch (Leonteq Securities AG, Amsterdam Branch) (the "**Issuer**"), may from time to time issue certificates (the "**Certificates**") and notes (the "**Notes**") linked to any kind of underlying, i.e. shares, participation certificates (*Genussscheine*), securities representing shares, indices, currency exchange rates, commodities, futures contracts, fixed rate instruments, derivative instruments, fund units, interest rates and reference rates and baskets thereof (the "**Products**").

No person is authorised to give any information or to make any representation not contained in or not consistent with the Base Prospectus and the applicable Final Terms and, if given or made, such information or representation must not be relied upon as having been authorised or made by all or any of the Issuer, the Lead Manager or the Calculation Agent (as described in the applicable Final Terms).

**The Products have not been and shall not be registered under the United States Securities Act of 1933, as amended. They may not be offered, sold, traded or delivered, directly or indirectly, in the United States by or to or for the account of a US person (as defined in Regulation S in accordance with the United States Securities Act of 1933). In the event of a Redemption of the Products in accordance with the Conditions, a certification as to non-United States beneficial ownership shall be deemed to have been given by the relevant Holders (as described in § 8 (2) of the Issue Specific Conditions).**

**Lead Manager  
Leonteq Securities AG, Zurich,  
Switzerland**

COSI<sup>®</sup> Collateral Secured Instruments – Investor Protection engineered by SIX.

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## I. SUMMARY

Summaries consist of specific 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	<p>The Summary is intended as an introduction to the Base Prospectus dated 18 June 2019 (as [supplemented by <i>[insert supplements, as the case may be: ●]</i> and as] further supplemented from time to time) of Leonteq Securities AG (the "<b>Issuer</b>").</p> <p>Investors should ensure that any decision to invest in the Products is based on a review of the entire Base Prospectus, including documents incorporated by reference, any supplements, and the Final Terms.</p> <p>Where claims relating to the information contained in a base prospectus, including documents incorporated by reference, any supplements, and the respective Final Terms are brought before a court, the plaintiff may, as a result of the laws of individual member states of the European Economic Area, have to bear the cost of translating the base prospectus, the documents incorporated by reference, any supplements, and the Final Terms into the language of the court prior to the commencement of legal proceedings.</p> <p>The Issuer or the persons who have tabled the Summary may be held liable for the content of this Summary, including any translations thereof, but only in the event that the Summary is misleading, inaccurate or inconsistent when read in conjunction with the other parts of the Base Prospectus, or, when read in conjunction with the other parts of the Base Prospectus, does not convey all of the key information required.</p>
A.2	- Consent to the use of the Prospectus	<p><i>[insert in the case of a general consent: The Issuer consents to the use of the Base Prospectus and these Final Terms by all financial intermediaries (general consent). General consent for the subsequent resale or final placement of Products by the financial intermediaries is given in relation to the Offer State[s] during the Offer Period during which subsequent resale or final placement of the Products can be made, provided however, that the Base Prospectus is still valid according to Section 9 of the German Securities Prospectus Act.]</i></p>

	<p><i>[insert in the case of an individual consent if the specified financial intermediaries shall be entitled to use the prospectus in all Offer States:</i> The Issuer consents to the use of the Base Prospectus and the Final Terms by the following financial intermediaries (individual consent): <i>[insert name and address of specific intermediary: ●]</i>. Individual consent for the subsequent resale or final placement of Products by the specified financial intermediaries is given in relation to the Offer State[s] during the Offer Period during which subsequent resale or final placement of the Products can be made, provided however, that the Base Prospectus is still valid according to Section 9 of the German Securities Prospectus Act. Any new information with respect to financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms will be published [in electronic format on the website <a href="http://www.leonteq.com">www.leonteq.com</a> (under "Our Services" – "Investment Solutions" – "Structured Products" – "Service" – "Prospectuses" under the heading "Notices"))] <i>[insert other website: ●]</i>.]</p> <p><i>[insert in the case of an individual consent if the specified financial intermediaries shall be entitled to use the prospectus in different selected jurisdictions only:</i> The Issuer consents to the use of the Base Prospectus and the Final Terms by the financial intermediaries set out in the table below (individual consent) for the subsequent resale or final placement of Products in relation to such Offer State[s] as selected in the table below during the Offer Period during which subsequent resale or final placement of the Products can be made, provided however, that the Base Prospectus is still valid according to Section 9 of the German Securities Prospectus Act.</p> <table data-bbox="571 1211 1359 1570"> <thead> <tr> <th data-bbox="571 1211 863 1279">Name and address of financial intermediary</th> <th data-bbox="863 1211 1359 1279">Selected Offer State(s)</th> </tr> </thead> <tbody> <tr> <td data-bbox="571 1279 863 1435">[●]</td> <td data-bbox="863 1279 1359 1435">[Germany][,] [and] [France][,] [and] [the United Kingdom] [,][and] [Italy] [,][and] [Czech Republic][,][and] [the Netherlands][,][and] [Ireland]</td> </tr> <tr> <td data-bbox="571 1435 863 1570">[●]</td> <td data-bbox="863 1435 1359 1570">[Germany][,] [and] [France][,] [and] [the United Kingdom] [,][and] [Italy] [,][and] [Czech Republic][,][and] [the Netherlands][,][and] [Ireland]</td> </tr> </tbody> </table> <p>Any new information with respect to financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms will be published [in electronic format on the website <a href="http://www.leonteq.com">www.leonteq.com</a> (under "Our Services" – "Investment Solutions" – "Structured Products" – "Service" – "Prospectuses" under the heading "Notices"))] <i>[insert other website: ●]</i>.]</p> <p>["Offer State[s]" means the following Member States: [Germany][,] [and] [France][,] [and] [the United Kingdom] [,][and] [Italy] [,][and] [Czech Republic][,][and] [the Netherlands][,][and] [Ireland].]</p>	Name and address of financial intermediary	Selected Offer State(s)	[●]	[Germany][,] [and] [France][,] [and] [the United Kingdom] [,][and] [Italy] [,][and] [Czech Republic][,][and] [the Netherlands][,][and] [Ireland]	[●]	[Germany][,] [and] [France][,] [and] [the United Kingdom] [,][and] [Italy] [,][and] [Czech Republic][,][and] [the Netherlands][,][and] [Ireland]
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		[The subsequent resale or final placement of Products by financial intermediaries in the Offer State[s] can be made [during the Offer Period] [during the period the Base Prospectus is valid according to Section 9 of the German Securities Prospectus Act] <i>[insert offer period: ●].</i> ]
	- Offer Period	[" <b>Offer Period</b> " means the period commencing from[, and including,] [the date of the Final Terms] <i>[insert date: ●]</i> [to[, [expectedly] and including,] [the expiring of the validity of the Base Prospectus pursuant to Section 9 of the German Securities Prospectus Act] [the Final Fixing Date] <i>[insert date: ●]</i> [[and/or] [to a termination of the Products by the Issuer] <i>[insert other information related to the offering period: ●].</i> ]
	- Conditions attached to the consent	[The above consent is subject to the compliance with the applicable offer- and selling restrictions for the Products and with any applicable law. Each financial intermediary is obliged to only provide the Base Prospectus together with any supplement thereto (if any) to potential investors.] [The consent to the use of the Prospectus is not subject to any further conditions.] [Further, such consent is subject to and given under the condition [●].]
	- Notice that information on the terms and conditions of the offer by any financial intermediary is to be provided at the time of the offer by the financial intermediary	<b>In the event that a financial intermediary makes an offer, that financial intermediary will inform investors at the time the offer is made of the terms and conditions of the offer as set out in the Final Terms.</b>
<b>Section B – Issuer and any guarantors</b>		
B.1	Legal and commercial name of the Issuer	The legal and commercial name of the Issuer is Leonteq Securities AG
B.2	Domicile, legal form, legislation, country of incorporation	Leonteq Securities AG was incorporated and registered in Zurich, Switzerland on 24 September 2007 as a stock corporation under article 620 et seq. of the Swiss Code of Obligations for an unlimited duration. As from that day, it is registered in the Commercial Register of the Canton of Zurich, Switzerland, under the number CHE-113.829.534. The registered office of Leonteq Securities AG is at Europaallee 39, 8004 Zurich, Switzerland, and the general telephone number is +41 58 800 1000.
B.4b	Known trends affecting the Issuer and the industries in which it operates	Not applicable; there are no known trends affecting the Issuer and the industries in which it operates.

B.5	Description of the group	Leonteq Securities AG, which may also be acting either through its Guernsey branch (Leonteq Securities AG, Guernsey Branch) or its Amsterdam branch (Leonteq Securities AG, Amsterdam Branch), is a fully owned subsidiary of Leonteq AG (Leonteq AG together with its subsidiaries the " <b>Leonteq Group</b> "). Leonteq AG's shares are listed on the SIX Swiss Exchange (security no. 19089118, ISIN CH0190891181, symbol LEON), included in the Swiss Performance Index SPI and are held amongst others by Raiffeisen Switzerland Cooperative, Rainer-Marc Frey, Lukas Ruflin family interests (which represent all the holdings of Lukas T. Ruflin, Clairmont Trust Company Limited and Thabatseka LP), Sandro Dorigo, members of the management and employees of Leonteq Group entities.																																				
B.9	Profit forecasts or estimates	Not applicable; the Issuer has not made any profit forecasts or estimates.																																				
B.10	Qualifications in the audit report	Not applicable; there are no qualifications in the audit report of the Issuer on its historical financial information.																																				
B.12	Selected historical key financial information regarding the Issuer, statement regarding trend information and significant changes in the financial or trading position of the Issuer	<p>The following financial information (according to IFRS) has been extracted from the audited financial statements of Leonteq Securities AG for the years ended 31 December 2017 and 2018.</p> <table> <thead> <tr> <th style="text-align: left;"><b>in CHF thousands</b></th> <th style="text-align: center;"><b>As at and for the year ended 31 December 2017</b></th> <th style="text-align: center;"><b>As at and for the year ended 31 December 2018</b></th> </tr> <tr> <th></th> <th style="text-align: center;"><b>(audited)</b></th> <th style="text-align: center;"><b>(audited)</b></th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Income</b></td> </tr> <tr> <td>Total operating income</td> <td style="text-align: right;">160'742</td> <td style="text-align: right;">227'971</td> </tr> <tr> <td>Result from operating activities (profit before taxes)</td> <td style="text-align: right;">22'360</td> <td style="text-align: right;">86'288</td> </tr> <tr> <td colspan="3"> </td> </tr> <tr> <td></td> <th style="text-align: center;"><b>As of 31 December 2017</b></th> <th style="text-align: center;"><b>As of 31 December 2018</b></th> </tr> <tr> <td></td> <th style="text-align: center;"><b>(audited)</b></th> <th style="text-align: center;"><b>(audited)</b></th> </tr> <tr> <td colspan="3"><b>Balance Sheet</b></td> </tr> <tr> <td>Total assets</td> <td style="text-align: right;">6'321'872</td> <td style="text-align: right;">10'653'370</td> </tr> <tr> <td>Other financial liabilities at fair value through profit or loss</td> <td style="text-align: right;">3'040'531</td> <td style="text-align: right;">3'123'856</td> </tr> <tr> <td>Total shareholders'</td> <td style="text-align: right;">293'433</td> <td style="text-align: right;">455'700</td> </tr> </tbody> </table>	<b>in CHF thousands</b>	<b>As at and for the year ended 31 December 2017</b>	<b>As at and for the year ended 31 December 2018</b>		<b>(audited)</b>	<b>(audited)</b>	<b>Income</b>			Total operating income	160'742	227'971	Result from operating activities (profit before taxes)	22'360	86'288	 				<b>As of 31 December 2017</b>	<b>As of 31 December 2018</b>		<b>(audited)</b>	<b>(audited)</b>	<b>Balance Sheet</b>			Total assets	6'321'872	10'653'370	Other financial liabilities at fair value through profit or loss	3'040'531	3'123'856	Total shareholders'	293'433	455'700
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		<p>equity</p> <p>There has been no material adverse change in the prospects of the Issuer since the date of the last audited financial statements (31 December 2018).</p> <p>There has been no significant change in the financial or trading position of the Issuer since the date of the last audited financial statement (31 December 2018).</p>
B.13	Description of recent events which are to a material extent relevant to the evaluation of the issuer's solvency	Not applicable; there are no recent events which are to a material extent relevant to the evaluation of the issuer's solvency.
B.14	B.5 plus Dependence of the Issuer upon other entities within the group	See B.5. Not applicable; Leonteq Securities AG does not have any subsidiaries.
B.15	Description of the Issuer's principal activities	<p>Leonteq Securities AG's main business activities include the development, structuring, distribution, hedging and settlement, lifecycle management and market-making of structured products, as well as the design and management of structured certificates and unit-linked life insurance policies.</p> <p>Leonteq Securities AG provides some of these core services to platform partners under the terms of cooperation agreements. Additionally, Leonteq Securities AG provides among others insurance and wealth planning solution services to third parties in Switzerland and abroad.</p> <p>Leonteq Securities AG distributes its financial products directly to institutional investors and indirectly to retail investors through third party financial intermediaries.</p>
B.16	Major shareholders	At the date of the Base Prospectus, Leonteq Securities AG's share capital is held in its entirety by Leonteq AG, which as sole shareholder controls Leonteq Securities AG.
<b>Section C – Securities</b>		
C.1	Type and class of the securities being offered; security identification number	<p><b>Type/Form of Securities</b></p> <p>The present Products have the characteristic such that the level [[and the time] for redemption][and the settlement type (cash settlement or physical delivery)] [does not depend][depends] on the development of the [Underlying][Basket Components]. [The Products also bear a coupon. [The level of the coupon is [also]</p>

	<p>[dependent] on the development of the [Underlying][Basket Components]].] [The payment of the coupon does not depend on the development of the [Underlying][Basket Components][, but is based on the development of the Reference Rate].]</p> <p><i>[insert in case of Swiss Uncertificated Securities: The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (Wertrechte). Uncertificated Securities (Wertrechte) will be created by the Issuer by means of a registration in its register of uncertificated securities (Wertrechtbuch). Such Uncertificated Securities will then be entered into the main register (Hauptregister) of the Custody Agent. Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (Bucheffekten) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (Bundesgesetz über Bucheffekten).]</i></p> <p><i>[insert in the case of Swiss Clearstream Banking AG, Frankfurt ("CBF") Bearer Securities: During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "Permanent Global Note"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied.]</i></p> <p><i>[insert in the case of Swiss Euroclear Bearer Securities: During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "Permanent Global Note"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied.]</i></p> <p><i>[insert in the case of Swiss SIX SIS Bearer Securities: During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations in bearer form which shall be deposited by the Paying Agent with a custody agent pursuant to the Swiss Federal Intermediated Securities Act (Bundesgesetz über Bucheffekten). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (Bucheffekten) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (Bundesgesetz über Bucheffekten).]</i></p> <p><i>[insert in the case of German CBF Bearer Securities: Products issued by the Issuer are bearer notes. The Products are represented by a Permanent Global Note, kept in custody during the term of the Products by or on behalf of the Clearing System.]</i></p>
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		<p><i>[insert in the case of German Euroclear Bearer Securities: [During their term the Products are represented by a permanent global note (the "<b>Permanent Global Note</b>") without coupons. The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied.][At issuance the Products are initially represented by a temporary global note (the "<b>Temporary Global Note</b>") without coupons which will be exchangeable for a permanent global note (the "<b>Permanent Global Note</b>" and, together with the Temporary Global Note, each a "<b>Global Note</b>") without coupons against certification of non-U.S. beneficial ownership.]]</i></p> <p><i>[insert in the case of German SIX SIS Bearer Securities: Products issued by the Issuer are bearer notes. The Products are represented by a Permanent Global Note, kept in custody by SIX SIS AG or any other custody agent according to Swiss Federal Intermediated Securities Act (<i>Bundesgesetz über Bucheffekten</i>). As soon as the Permanent Global Note has been deposited with the Custody Agent pursuant to the provisions of the Swiss Federal Intermediated Securities Act (<i>Bundesgesetz über Bucheffekten</i>) and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities (<i>Bucheffekten</i>) pursuant to the provisions of the Swiss Federal Intermediated Securities Act (<i>Bundesgesetz über Bucheffekten</i>).]</i></p> <p><b>Securities Identification</b></p> <p>[ISIN: [●]]</p> <p>[WKN: [●]]</p> <p>[Valor: [●]]</p> <p>[Common Code: [●]]</p> <p><i>[insert additional identifier for the Products: ●]</i></p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
C.2	Currency of the securities issue	The Settlement Currency of the Products is [●].
C.5	Restrictions on free transferability	Not applicable; the Products will be freely transferable.
C.8	Rights attached to the securities including ranking and limitations to those rights	<p><b>Applicable law</b></p> <p>The form and content of the Products and all rights and obligations of the Issuer and of the Holders will be governed by, and construed in, all respects in accordance with the laws of <i>[insert in the case of Products governed by German law: Germany]</i> <i>[insert in the case of Products governed by Swiss law: Switzerland]</i>.</p>

		<p><b>Rights attached to the Products</b></p> <p>Each Product grants the Holder a right to demand [<i>insert in the case of Products with interest payment</i>: payment of the Coupon Amount on the Coupon Payment Date(s)] as well as [payment of the [Redemption Amount][respective Partial Redemption Amount] [and/or] [delivery of [the Underlying][a Basket Component] on the [Redemption Date][respective Partial Redemption Date] as described in more detail under C.15 below. [The Products do not bear interest.] [Holders are entitled to exercise the Products on certain dates during the term of the Product.] [Holders may have a termination right in certain cases if the Issuer exercise its right to correct, amend or supplement the terms and conditions underlying the Product.]</p> <p><b>Status of the Products</b></p> <p>[<i>insert in the case COSI (Collateral Secured Instruments) and TCM (Triparty Collateral Management – TCM security agreement) are not applicable</i>: The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, <i>pari passu</i> with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]</p> <p>[<i>insert in the case either COSI or TCM is applicable</i>: The Products constitute general contractual obligations of the Issuer which are secured by collateral. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, <i>pari passu</i> with all other collateralized and unsubordinated obligations of the Issuer.]</p> <p><b>Limitations to the rights</b></p> <p>Under specific conditions, the Issuer has the right to extraordinary [and ordinary] terminate the Products and to amend the terms and conditions. [<i>insert in the case of TCM (if applicable)</i> : Furthermore, the Issuer has the right to terminate the Products if the TCM Security Agreement is cancelled and if due to the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity of the Product.]</p>
C.11	Admission to trading	<p>[[Open market (<i>Freiverkehr</i>)] of [●][Frankfurt Stock Exchange].][SIX Swiss Exchange] [Multilateral Trading Facility denominated EuroTLX organised and managed by EuroTLX SIM S.p.A.] [Multilateral Trading Facility of securitised derivative financial instruments (the "SeDeX Market") organised and managed by Borsa Italiana S.p.A.] [<i>insert other exchange</i>: ●]. The Issuer and the Lead Manager do not assume any legal obligation in respect of the realisation of admission to trading as at the Scheduled First Trading Day or the maintenance of any admission</p>

		<p>to trading that is realised.]</p> <p>[Not applicable. An admission to trading or listing of the Products is not intended.]</p>
C.15	Description of how the value of the investment is affected by the value of the underlying instrument(s)	<p>There is a relationship between the economic value of the Products and the economic value of the Underlying. [<i>insert in the case of Products without inverse structure: The value of the Product will typically fall if the price of the Underlying falls.</i>] [<i>insert in the case of Products with inverse structure: The Products are structured in a way so that a Product typically decreases in value if the value of the Underlying increases.</i>]</p> <p>[<i>insert in the case of Bonus Certificates with Cash Settlement (Product No. 1):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of [the Underlying] [the Basket Components].</p> <p>[(i) If [(a) no Barrier Event occurs [and (b) the Final Basket Value (as defined below in Element C.19) is equal to or below the Initial Basket Value multiplied by the Bonus Level], the Redemption Amount equals [(taking into account the performance of the relevant exchange rate)] the [Final Fixing Level (as defined below in Element C.19) multiplied by the Conversion Ratio][Issue Price][Denomination] taking into account the performance of the Underlying] [Issue Price][Denomination] multiplied by the quotient of the Final Basket Value and the Initial Basket Value][, and the Redemption Amount equals at least the Bonus Level multiplied by the [Conversion Ratio][Issue Price][Denomination] (minimum redemption)].</p> <p>(ii) If a Barrier Event has occurred, the Redemption Amount is no longer at least equal to the Bonus Level multiplied by the [Conversion Ratio][Issue Price][Denomination], but is [[always equal to the Final Fixing Level multiplied by the Conversion Ratio][equal to the Issue Price taking into account the performance of the Underlying] (1:1 participation in the performance of the Underlying)] [the [Issue Price][Denomination] multiplied by the quotient of the Final Basket Value and the Initial Basket Value] [(taking into account the performance of the relevant exchange rate)].]</p> <p>[(i) Provided that no Barrier Event has occurred the Redemption Amount is determined as follows [(taking into account the performance of the relevant exchange rate)]:</p> <p>(a) If the [Final Fixing Level [of the [worst][best] performing Basket Component]] [Final Basket Value] (as defined below in Element C.19) is equal to or below the [Initial Fixing Level [of the [worst] [best] performing Basket Component]] [Initial Basket Value] multiplied by the Bonus Level, the Redemption Amount equals the Bonus Level multiplied by the [Denomination][Issue Price].</p>

		<p>(b) If the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] is above the [Initial Fixing Level [of the [worst] [best] performing Basket Component]] [Initial Basket Value] multiplied by the Bonus Level, the Redemption Amount equals the [Denomination][Issue Price] multiplied by the sum of (A) the Bonus Level and (B) the Participation Factor multiplied by the difference between (i) the quotient of the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] and the [Initial Fixing Level [of the [worst] [best] performing Basket Component]] [Initial Basket Value] and (ii) the Bonus Level.</p> <p>(ii) If a Barrier Event has occurred the Redemption amount equals the [Denomination][Issue Price] multiplied by the [performance of the Underlying] [performance of the [worst] [best] performing Basket Component] [performance of the Basket] [(taking into account the performance of the relevant exchange rate)].</p> <p>[The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket Components [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>[[Initial Fixing Level: [●]]  [Initial Basket Value: [●]]  [Issue Price: [●]]  [Denomination: [●]]  [Conversion Ratio: [●]]  [Initial Basket Value: [●]]  [Barrier Observation Period: [●]]  Barrier Event: [●]  Barrier Level: [●]  Bonus Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> <hr/> <p><i>[insert in the case of Bonus Certificates with potential Physical Settlement (Product No. 2):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency or the physical delivery of the Underlying depending on the performance of the Underlying.</p> <p>(i) If (a) no Barrier Event occurs and (b) the Final Fixing Level (as defined below in Element C.19) is equal to or below the Initial Fixing Price multiplied by the Bonus Level, the Redemption</p>
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		<p>Amount equals the Minimum Redemption Amount (which is equal to the Bonus Level multiplied by the Issue Price [and further multiplied by the performance of the relevant exchange rate]).</p> <p>(ii) In all other cases the Holder receives delivery of a certain number of the Underlying expressed by the Conversion Ratio. Fractions of the Underlying are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.</p> <p>[The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket Components [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>[[Initial Fixing Level: [●]]</p> <p>[Issue Price: [●]]</p> <p>[Conversion Ratio: [●]]</p> <p>[Barrier Observation Period: [●]]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>Bonus Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> <hr/> <p><i>[insert in the case of Capped Bonus Certificates with Cash Settlement and with par value (Product No. 3):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.</p> <p>(i) If (a) no Barrier Event occurs and (b) the Final Basket Value (as defined below in Element C.19) is equal to or below the Initial Basket Value multiplied by the Bonus Level, the Redemption Amount equals the Minimum Redemption Amount (which is equal to the Denomination multiplied by the Bonus Level [and further multiplied by the performance of the relevant exchange rate]).</p> <p>(ii) In all other cases the Redemption Amount equals the Denomination taking into account the performance of the Underlying, whereby the Redemption Amount does not exceed the Maximum Redemption Amount (which is equal to the Denomination multiplied by the Cap Level [and further multiplied by the performance of the relevant exchange rate]).</p> <p>[The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket</p>
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		<p>Components [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>[Initial Basket Value: [●]]</p> <p>[Barrier Observation Period: [●]]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>Bonus Level: [●]</p> <p>Cap Level: [●]</p> <p>Denomination: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> <hr/> <p><i>[insert in the case of Capped Bonus Certificates with Cash Settlement and without par value (Product No. 4):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the [Underlying][Basket Components].</p> <p>(i) If no Barrier Event occurs [or a Barrier Event occurs and the Final Fixing Level [of the Basket Component with the Worst Performance] (as defined below in Element C.19) is above [the][its] Initial Fixing Level multiplied by the Bonus Level], the Redemption Amount equals the Minimum Redemption Amount (which is equal to the Issue Price multiplied by the Bonus Level [and further multiplied by the performance of the relevant exchange rate]).</p> <p>(ii) In all other cases the Redemption Amount equals the Issue Price taking into account the performance of [the Underlying][the Basket Component with the Worst Performance] [and the performance of the relevant exchange rate], whereby the Redemption Amount does not exceed the Maximum Redemption Amount (which is equal to the Issue Price multiplied by the Cap Level [and further multiplied by the performance of the relevant exchange rate]).</p> <p>[The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket Components [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>[Initial Fixing Level: [●]]</p> <p>Issue Price: [●]</p> <p>[Conversion Ratio: [●]]</p> <p>[Barrier Observation Period: [●]]</p>
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		<p>Barrier Event: [●]  Barrier Level: [●]  Bonus Level: [●]  Cap Level: [●]]  [Worst Performance: [●]]  <i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> <hr/> <p><i>[insert in the case of Capped Bonus Certificates with potential Physical Settlement (Product No. 5):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency or the physical delivery of the Underlying depending on the performance of the Underlying.</p> <p>(i) If [(a) no Barrier Event occurs [or (b) a Barrier Event occurs and the Final Fixing Level (as defined below in Element C.19) is above the Issue Price multiplied by the Bonus Level], the Redemption Amount equals the Minimum Redemption Amount (which is equal to the Bonus Level multiplied by the Issue Price [and further multiplied by the performance of the relevant exchange rate]). The Redemption Amount does not exceed the Maximum Redemption Amount (which is equal to the Issue Price multiplied by the Cap Level [and further multiplied by the performance of the relevant exchange rate]).</p> <p>(ii) In all other cases the Holder receives delivery of a certain number of the Underlying expressed by the Conversion Ratio. Fractions of the Underlying are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.</p> <p>[The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket Components [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>[[Initial Fixing Level: [●]]  Issue Price: [●]  [Conversion Ratio: [●]]  [Barrier Observation Period: [●]]  Barrier Event: [●]  Barrier Level: [●]  Bonus Level: [●]  Cap Level: [●]]</p>
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		<p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> <hr/> <p><i>[insert in the case of Notes (Reverse Convertibles) with Cash Settlement (Product No. 6):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.</p> <p>(i) If the Final Fixing Level (as defined below in Element C.19) is above the Strike Level, the Holder receives the Denomination [multiplied by the performance of the relevant exchange rate]. The Denomination [multiplied by the performance of the relevant exchange rate] is the maximum amount that the Holder may receive as a Redemption Amount.</p> <p>(ii) If the Final Fixing Level is equal to or below the Strike Level, the Holder receives a Redemption Amount in the amount of the Denomination taking into account the performance of the Underlying [and multiplied by the performance of the relevant exchange rate]. This amount is generally less than the Denomination.</p> <p>Furthermore, the Holder receives a Coupon Amount [(taking also into account the performance of the relevant exchange rate)] on the Coupon Payment Date[s] (as defined below in Element C.16). The coupon payment is independent of the performance of the Underlying.</p> <p>[[Initial Fixing Level: [●]]</p> <p>Strike Level: [●]</p> <p>Coupon Amount: [●]</p> <p>Denomination: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> <hr/> <p><i>[insert in the case of Notes (Reverse Convertibles) with potential Physical Settlement (Product No. 7):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency or the physical delivery of the Underlying depending on the performance of the Underlying.</p> <p>(i) If the Final Fixing Level (as defined below in Element C.19) is above the Strike Level, the Holder receives the Denomination [multiplied by the performance of the relevant exchange rate]. The Denomination [multiplied by the performance of the relevant exchange rate] is the maximum amount that the Holder may receive as a Redemption Amount.</p>
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		<p>(ii) If the Final Fixing Level is equal to or below the Strike Level, the Holder receives a certain number of the Underlying expressed by the Conversion Ratio. Fractions of the Underlying are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions. The equivalent value of the delivered Underlyings is generally less than the Denomination.</p> <p>Furthermore, the Holder receives a Coupon Amount [(taking also into account the performance of the relevant exchange rate)] on the Coupon Payment Date[s] (as defined below in Element C.16). The coupon payment is independent of the performance of the Underlying.</p> <p>[[Initial Fixing Level: [●]]  Strike Level: [●]  [Conversion Ratio: [●]]  Coupon Amount: [●]  Denomination: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> <hr/> <p><i>[insert in the case of Notes (Barrier Reverse Convertibles) with Cash Settlement (Product No. 8):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.</p> <p>(i) If no Barrier Event has occurred [or a Barrier Event has occurred and the Final Fixing Level (as defined below in Element C.19) is above the Initial Fixing Level,] the Holder receives the Denomination [multiplied by the performance of the relevant exchange rate]. The Denomination [multiplied by the performance of the relevant exchange rate] is the maximum amount that the Holder may receive as a Redemption Amount.</p> <p>(ii) In all other cases the Holder receives a Redemption Amount in the amount of the Denomination taking into account the performance of the [Underlying] [Basket Component with the worst performance] [and taking also into account the performance of the relevant exchange rate].</p> <p>[Furthermore, the Holder receives a Coupon Amount [(taking also into account the performance of the relevant exchange rate)] on the Coupon Payment Date[s] (as defined below in Element C.16). The coupon payment is independent of the performance of the Underlying.] [The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket Components [and takes into account the performance of</p>
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		<p>the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>[[Initial Fixing Level: [●]]</p> <p>Barrier: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Observation Period: [●]]</p> <p>[Coupon Amount: [●]]</p> <p>Denomination: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> <hr/> <p><i>[insert in the case of Notes (Barrier Reverse Convertibles) with potential Physical Settlement (Product No. 9):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency or the physical delivery of the [Underlying][Basket Component with the worst performance], depending on the performance of the [Underlying][Basket Components].</p> <p>(i) If no Barrier Event has occurred [or a Barrier Event has occurred and the Final Fixing Level (as defined below in Element C.19) is above the Initial Fixing Level], the Holder receives the Denomination [multiplied by the performance of the relevant exchange rate]. The Denomination [multiplied by the performance of the relevant exchange rate] is the maximum amount that the Holder may receive as a Redemption Amount.</p> <p>(ii) In all other cases, the Holder receives delivery of a certain number of the [Underlying] [Basket Component with the worst performance], expressed by the Conversion Ratio. Fractions of the [Underlying] [Basket Component] are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.</p> <p>[Furthermore, the Holder receives a Coupon Amount [(taking also into account the performance of the relevant exchange rate)] on the Coupon Payment Date[s] (as defined below in Element C.16). The coupon payment is independent of the performance of the [Underlying][Basket Components].] [The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket Components [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>[[Initial Fixing Level: [●]]</p> <p>Conversion Ratio: [●]</p> <p>Barrier: [●]</p>
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		<p>Barrier Event: [●]  Barrier Level: [●]  [Barrier Observation Period: [●]]  [Coupon Amount: [●]]  Denomination: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> <hr/> <p><i>[insert in the case of Discount Certificates with Cash Settlement (Product No. 10):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.</p> <p>(i) If the Final Fixing Level (as defined below in Element C.19) is equal to or below the Cap Level, the Redemption Amount equals the Final Fixing Level multiplied by the Conversion Ratio [and further multiplied by the performance of the relevant exchange rate].</p> <p>(ii) If the Final Fixing Level is above the Cap Level, the Redemption Amount equals the Maximum Redemption Amount (which is equal to the Cap Level taking into account the Conversion Ratio [and taking also into account the performance of the relevant exchange rate]).</p> <p>[Conversion Ratio: [●]  Cap Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> <hr/> <p><i>[insert in the case of Discount Certificates with potential Physical Settlement (Product No. 11):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount in the Settlement Currency or a certain number of the Underlying depending on the performance of the Underlying.</p> <p>(i) If the Final Fixing Level (as defined below in Element C.19) is above the Cap Level, the Redemption Amount equals the Maximum Redemption Amount (which is equal to the Cap Level taking into account the Conversion Ratio [and taking also into account the performance of the relevant exchange rate]).</p> <p>(ii) If the Final Fixing Level is equal to or below the Cap Level, the Holder receives delivery of a certain number of the Underlying expressed by the Conversion Ratio. Fractions of the Underlying are not delivered, but are compensated by a cash payment, the so-</p>
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		<p>called Cash Payment Amount for Fractions.</p> <p>[Conversion Ratio: [●]]</p> <p>Cap Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p> <hr/> <p><i>[insert in the case of Express Certificates with Cash Settlement and without par value (Product No. 12):</i></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If an Autocall Event has occurred, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount in the Settlement Currency equals the [Issue Price] [Reference Amount] [multiplied by the performance of the basket on the relevant Autocall Observation Date whereby the Redemption Amount will not be lower than the Minimum Early Redemption Amount] [and] [multiplied by the performance of the relevant exchange rate] [plus the Early Redemption Coupon Amount allocated to the Autocall Observation Date on which the Autocall Event occurred [multiplied by the performance of the relevant exchange rate]].</p> <p>An Autocall Event occurs if on an Autocall Observation Date [the Reference Price (as defined below in Element C.19) exceeds the Autocall Trigger Level][the Reference Prices of [all] [●] Basket Components [regardless of the Target One Underlying (as defined below in Element C.20)] exceed the Autocall Trigger Level].</p> <p>If an early redemption does not occur, the performance of the [Underlying][Basket Components][above the Strike Level] determines the level of the Redemption Amount:</p> <p>[(a) If a Lock-In Event has occurred, the Redemption Amount equals the Issue Price plus the Lock-In Coupon Amount.</p> <p>(b) If neither a Lock-In Event nor a Barrier Event has occurred, the Redemption Amount equals the Issue Price.</p> <p>(c) If a Lock-In Event has not occurred, but a Barrier Event has occurred, the Redemption Amount equals the Issue Price multiplied by the [performance of the Underlying][performance of the Basket Component with the worst performance].]</p> <p>[(a) If a Barrier Event has occurred, the Redemption Amount equals the [Issue Price] [Reference Amount] multiplied by [the performance of the Underlying][the performance of the Basket Component with the worst performance] [taking also into account the performance of the relevant exchange rate].</p> <p>(b) If no Barrier Event has occurred the Redemption Amount is determined as follows:</p>
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		<p>(i) If the Final Fixing Level [of the Basket Component with the Worst Performance] is equal to or below [the][its] Initial Fixing Level, the Redemption Amount equals the [Issue Price] [Reference Amount] multiplied by the difference between 200 % and [the performance of the Underlying][the performance of the Basket Component with the worst performance] [taking also into account the performance of the relevant exchange rate].</p> <p>(ii) If the Final Fixing Level [of the Basket Component with the Worst Performance] is above [the][its] Initial Fixing Level, the Redemption Amount equals the [Issue Price] [Reference Amount] multiplied by [the performance of the Underlying][the performance of the Basket Component with the worst performance] [taking also into account the performance of the relevant exchange rate].]</p> <p>[(i) If no Barrier Event occurred the Redemption Amount is equal to the [Issue Price] [Reference Amount] [multiplied by the performance of the relevant exchange rate]. [The Redemption Amount also equals the [Issue Price] [Reference Amount] [multiplied by the performance of the relevant exchange rate], if a Barrier Event has occurred, but the Final Fixing Level [of the Basket Component with the Worst Performance] is above [the][its] [Initial Fixing Level][Strike Level].]</p> <p>(ii) If the preconditions set out under (i) above are not satisfied, the Redemption Amount equals the [Issue Price] [Reference Amount] taking into account [the performance of the Underlying][the performance of the Basket Component with the worst performance][above the Strike Level][the Minimum Redemption Factor] [and taking also into account the performance of the relevant exchange rate]. [However, the Redemption Amount will not exceed the [Issue Price] [Reference Amount] [multiplied by the relevant exchange rate] which is the maximum amount an investor may receive.]] [However, the Redemption Amount will equal at least the Issue Price multiplied by the Minimum Redemption Factor.]</p> <p>[(i) If a Target One Event has occurred the Redemption Amount equals the [Issue Price] [Reference Amount] [multiplied by the performance of the relevant exchange rate].</p> <p>(ii) If a Target One Event has not occurred and no Barrier Event has occurred the Redemption Amount equals the [Issue Price] [Reference Amount] [multiplied by the performance of the relevant exchange rate].</p> <p>(iii) If a Target One Event has not occurred, but a Barrier Event has occurred the Redemption Amount equals the [Issue Price] [Reference Amount] multiplied by the [performance of the Underlying] [performance of the [worst] [best] performing Basket Component] [and further multiplied by the performance of the relevant exchange rate].]</p> <p>[Furthermore, the Holder receives a Coupon Amount [that takes also into account the performance of the relevant exchange rate] on</p>
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		<p>the Coupon Payment Date[s] (as defined below in Element C.16). [The coupon payment is independent of the performance of the [Underlying][Basket Components].] [The amount of the Coupon Amount is dependent of the performance of the Reference Rate.] [The coupon payment [and/or the amount of the coupon payment] is conditional on the occurrence of a certain event in relation to the [Underlying][Basket Components] (e.g. the Underlying reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there will be no [and/or a lower] coupon payment for the applicable Coupon Payment Date. [Each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.] [Investors should note that [also] the amount of the [respective] coupon payment depends on the development of the [Underlying][Basket Components].]]] [The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket Components [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p>[[Initial Fixing Level: [●]]</p> <p>[Issue Price: [●]]</p> <p>[Strike Level: [●]]</p> <p>Autocall Observation Date[s]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>Barrier: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Observation Period: [●]]</p> <p>[Coupon Amount: [●]]</p> <p>[Coupon Trigger Level: [●]]</p> <p>[Early Redemption Coupon Amount: [●]]</p> <p>[Lock-In Observation Date: [●]]</p> <p>[Lock-In Coupon Amount: [●]]</p> <p>[Lock-In Event: [●]]</p> <p>[Lock-In Level: [●]]</p> <p>[Minimum Redemption Factor: [●]]</p>
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		<p>[Minimum Early Redemption Amount: [●]]</p> <p>[Denomination: [●]]</p> <p>[Reference Amount: [●]]</p> <p>[Reference Rate: [●]]</p> <p>[Target One Level: [●]]</p> <p>[Target One Event: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p> <hr/> <p><i>[insert in the case of Express Certificates and/or Express Notes with Cash Settlement and with par value (Product No. 13):</i></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If an Autocall Event has occurred, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount in the Settlement Currency equals the [Denomination][Issue Price] [multiplied by the performance of the relevant exchange rate] [plus the Early Redemption Coupon Amount allocated to the Autocall Observation Date on which the Autocall Event occurred [multiplied by the performance of the relevant exchange rate]].</p> <p>An Autocall Event occurs if on an Autocall Observation Date [the Reference Price (as defined below in Element C.19) exceeds the Autocall Trigger Level][the Reference Prices (as defined below in Element C.19) of all Basket Components exceed the Autocall Trigger Level].</p> <p>[If an early redemption does not occur, the performance of the [Underlying][Basket Components] determines the level of the Redemption Amount on the Redemption Date (as defined below in Element C.16).]</p> <p>[If an early redemption does not occur, ][The][the] Redemption Amount is determined as follows:</p> <p>(i) [If no Barrier Event has occurred][If the Final Fixing Level is above the Strike Level] the Redemption Amount is equal to the [Denomination][Issue Price] [multiplied by the performance of the relevant exchange rate].</p> <p>(ii) If the conditions set out under (i) are not met the Redemption Amount equals [the [Denomination][Issue Price] taking into account [the performance of the Underlying][the performance of the Basket Component with the worst performance] [above the Strike Level] [the Minimum Redemption Factor].] [the [Denomination][Issue Price] multiplied by the sum of (A) 100 % and (B) the Participation Factor multiplied by the difference between the Final Fixing Level [of the [worst] [best] performing</p>
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		<p>Basket Component] (as defined below in Element C.19) divided by the Initial Fixing Level [of the [worst] [best] performing Basket Component] and 1, whereby the Redemption Amount is at least zero.] [the [Denomination][Issue Price] multiplied by the Minimum Redemption Factor.] [The result is multiplied by the performance of the relevant exchange rate.] [However, the Redemption Amount will not exceed the [Denomination][Issue Price] [multiplied by the performance of the relevant exchange rate] which is the maximum amount an investor may receive.]</p> <p>[Furthermore, the Holder receives a Coupon Amount [that takes also into account the performance of the relevant exchange rate] on the Coupon Payment Date[s] (as defined below in Element C.16). [The coupon payment is independent of the performance of the [Underlying][Basket Components].][The coupon payment is conditional on the occurrence of a certain event in relation to the [Underlying][Basket Components] (e.g. reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there will be no coupon payment for the applicable Coupon Payment Date. [Each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.]] [The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket Components [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p>[[Initial Fixing Level: [●]]</p> <p>[Strike Level: [●]]</p> <p>Autocall Observation Date[s]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Observation Period: [●]]</p> <p>[Coupon Amount: [●]]</p> <p>[Coupon Trigger Level: [●]]</p> <p>[Early Redemption Coupon Amount: [●]]</p> <p>[Minimum Redemption Factor: [●]]</p> <p>[Denomination: [●]]</p> <p>[Issue Price: [●]]</p>
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		<p>[Participation Factor: [●]]</p> <p>[Target One Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
		<p><i>[insert in the case of Tracker Certificates with Cash Settlement (Product No. 14):</i></p> <p>In the case of these Products, Holders receive a Redemption Amount in the Settlement Currency on the Redemption Date, the amount of which depends on the performance of the [Underlying][Basket Components]. The Redemption Amount equals the [Final Fixing Level][Basket Performance] (as defined below in Element C.19) multiplied by the Conversion Ratio [and the Management Factor] [and taking into account the Exchange Factor] [and taking into account the performance of the relevant exchange rate].</p> <p>[Conversion Ratio: [●]]</p> <p>[Exchange Factor: [●]]</p> <p>[Management Factor: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
		<p><i>[insert in the case of Open End Tracker Certificates with Cash Settlement (Product No. 15):</i></p> <p>Open End Tracker Certificates do not have a specified limited term. The term of the Products ends either (i) on the exercise of the Products by the Holders or (ii) on ordinary termination by the Issuer or (iii) on extraordinary termination by the Issuer.</p> <p>In the case of these Products, Holders receive a Redemption Amount in the Settlement Currency on the Redemption Date (as defined below in Element C.16), the amount of which depends on the performance of the Underlying. The Redemption Amount equals the Final Fixing Level (as defined below in Element C.19) taking into account the Conversion Ratio [and the Management Factor] [and taking into account the Exchange Factor] [and taking into account the performance of the relevant exchange rate].</p> <p>[[Issue Price: [●]]</p> <p>Conversion Ratio: [●]</p> <p>[Exchange Factor: [●]]</p> <p>[Management Factor: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
		<p><i>[insert in the case of Express Certificates with potential Physical</i></p>

		<p><i>Settlement and with par value (Product No. 16):</i></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount equals the Denomination [multiplied by the performance of the relevant exchange rate].</p> <p>An Autocall Event occurs if on an Autocall Observation Date the [Reference Price (as defined below in Element C.19) exceeds the Autocall Trigger Level][Reference Prices of all Basket Components exceed the Autocall Trigger Level].</p> <p>If an early redemption does not occur, the performance of the [Underlying][Basket Components] determines the level of the Redemption Amount and the settlement type (cash settlement or physical delivery):</p> <p>(i) If [(i) no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level (as defined below in Element C.19) is above the [Initial Fixing Level][Strike Level]]][the Final Fixing Level (as defined below in Element C.19) is above the Strike Level] the Redemption Amount is equal to the Denomination [multiplied by the performance of the relevant exchange rate].</p> <p>(ii) Otherwise, the Holder receives delivery of a certain number of the [Underlying][Basket Component with the worst performance], expressed by the Conversion Ratio. Fractions of the [Underlying][Basket Component] are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.</p> <p>[Furthermore, the Holder receives a Coupon Amount [that takes also into account the performance of the relevant exchange rate] on the Coupon Payment Date[s] (as defined below in Element C.16). [The payment of the applicable Coupon Amount is independent of the performance of the [Underlying][Basket Components].] [The coupon payment is conditional on the occurrence of a certain event in relation to the [Underlying][Basket Components] (e.g. the Underlying reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date.] [Each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.]] [The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket Components [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>With regard to coupon payments, it should [also] be noted that, in</p>
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		<p>the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p>[[Initial Fixing Level: [●]]</p> <p>Issue Price: [●]</p> <p>[Strike Level: [●]]</p> <p>Conversion Ratio: [●]</p> <p>Autocall Observation Date[s]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>Barrier: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Observation Period: [●]]</p> <p>Coupon Amount: [●]</p> <p>[Coupon Trigger Level: [●]]</p> <p>Denomination: [●]</p> <p>[Target One Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
		<p><i>[insert in the case of Express Certificates with potential Physical Settlement and without par value (Product No. 17):</i></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount equals the Issue Price [multiplied by the performance of the relevant exchange rate].</p> <p>An Autocall Event occurs if on an Autocall Observation Date [the Reference Price of the Underlying (as defined below in Element C.19) exceeds the Autocall Trigger Level][the Reference Prices of all Basket Components exceed the Autocall Trigger Level].</p> <p>If an early redemption does not occur, the performance of the [Underlying][Basket Components] determines the level of the Redemption Amount and the settlement type (cash settlement or physical delivery):</p> <p>If [(i) no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level (as defined below in Element C.19) is above the [Initial Fixing Level][Strike Level]]][the Final Fixing Level (as defined below in Element C.19) is above the</p>

		<p>Strike Level] the Redemption Amount is equal to the Issue Price [multiplied by the performance of the relevant exchange rate].</p> <p>(ii) Otherwise, the Holder receives delivery of a certain number of the [Underlying][Basket Component with the worst performance], expressed by the Conversion Ratio. Fractions of the [Underlying][Basket Component] are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.</p> <p>[Furthermore, the Holder receives a Coupon Amount [that takes also into account the performance of the relevant exchange rate] on the Coupon Payment Date[s] (as defined below in Element C.16). [The coupon payment is independent of the performance of the [Underlying][Basket Components].] [The coupon payment is conditional on the occurrence of a certain event in relation to the [Underlying][Basket Components] (e.g. reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date.] [Each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.]] [The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket Components [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p>[[Initial Fixing Level: [●]]</p> <p>Issue Price: [●]</p> <p>Conversion Ratio: [●]</p> <p>[Strike Level: [●]]</p> <p>Autocall Observation Date[s]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>Barrier: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Observation Period: [●]]</p> <p>[Coupon Amount: [●]]</p> <p>[Coupon Trigger Level: [●]]</p> <p>[Target One Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above</i></p>
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		<i>mentioned relevant definitions: ●</i> ]
		<p><i>[insert in the case of Inverse Discount Certificates with Cash Settlement (Product No. 18):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) investors receive a Redemption Amount, the amount of which is inversely dependent on the performance of the Underlying. The following cases may be distinguished:</p> <p>(i) If the Final Fixing Level (as defined below in Element C.19) is above the Cap Level, the investor receives on the Redemption Date payment of the difference between the Inverse Level and the Final Fixing Level taking into account the Conversion Ratio [and taking also into account the performance of the relevant exchange rate]. However, the Redemption Amount equals in this case at least zero (0).</p> <p>(ii) If the Final Fixing Level is at or below the Cap Level, the Redemption Amount equals the Maximum Redemption Amount (which equals the difference between the Inverse Level and the Cap Level taking into account the Conversion Ratio [and taking also into account the performance of the relevant exchange rate]).</p> <p>[[Initial Fixing Level: [●]]  Conversion Ratio: [●]  Cap Level: [●]  Inverse Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
		<p><i>[insert in the case of Master Discount Certificates with Cash Settlement (Product No. 19):</i></p> <p>In the case of these Products, on the Redemption Date (as defined below in Element C.16) the investor receives the total of the Proportionate Redemption Amounts calculated on the basis of the individual Basket Components. The Basket Components are considered individually and are included (with the number of Basket Components specified on the Initial Fixing Date) in the calculation of the Proportionate Redemption Amount and the Redemption Amount. The number of the Basket Component is a factor by means of which an equal weighting of the respective Basket Component, based on the value of the Product, is reproduced.</p> <p>The possibilities for redemption of the Products are as follows:</p> <p>(i) if the Final Fixing Level of the respective Basket Component is equal to or falls below the respective Cap Level, the Proportionate Redemption Amount equals the Final Fixing Level multiplied by the number of the Basket Component; and</p>

		<p>(ii) if the Final Fixing Level of the respective Basket Component exceeds the respective Cap Level, the Proportionate Redemption Amount equals the respective Cap Level multiplied by the number of Basket Component; and</p> <p>(iii) in the case where the Final Fixing Levels of all Basket Components are above their individual Cap Levels, the investor receives the Maximum Redemption Amount.</p> <p>[In each case the respective result of the calculations above is multiplied by the performance of the relevant exchange rate.]</p> <p>[[Initial Fixing Level: [●]]</p> <p>Number of Basket Components: [●]</p> <p>Cap Level: [●]</p> <p>Initial Fixing Date: [●]</p> <p>Maximum Redemption Amount: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
		<p><i>[insert in the case of Express Certificates with Cash Settlement and with par value and/or issue price and unconditional minimum redemption (Product No. 20):</i></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount equals the [Denomination][Issue Price] [plus the Early Redemption Coupon Amount allocated to the Autocall Observation Date on which the Autocall Event has occurred [multiplied by the Current Exchange Rate Performance] [[whereby the result is] multiplied by the performance of the relevant exchange rate].</p> <p>An Autocall Event occurs if on an Autocall Observation Date the Reference Prices of all Basket Components reach or exceed the relevant Autocall Trigger Level.</p> <p>[If an early redemption does not occur, the investor receives the Minimum Redemption Factor multiplied by the [Denomination][Issue Price] [and further multiplied by the performance of the relevant exchange rate].]</p> <p>[If an early redemption does not occur, the performance of the [Underlying] [Basket Components] determines the level of the Redemption Amount.</p> <p>The investor receives the [Denomination][Issue Price] [multiplied by the performance of the relevant exchange rate], which simultaneously equals the Maximum Redemption, if the Final</p>

		<p>Fixing Level[s] of [all Basket Components] [the Underlying] (as defined below in Element C.19) is at or above the respective Autocall Trigger Level. If this is not the case, the Products are redeemed for a Minimum Redemption Amount. The Minimum Redemption Amount corresponds to the Minimum Redemption Factor multiplied by the [Denomination][Issue Price] [and further multiplied by the performance of the relevant exchange rate].</p> <p>[Furthermore, the Holder receives a Coupon Amount [that takes also into account the performance of the relevant exchange rate] on the Coupon Payment Date[s] (as defined below in Element C.16). [The coupon payment is independent of the performance of the Basket Component.] [The coupon payment is conditional on the occurrence of a certain event in relation to the [Underlying] [Basket Components] (e.g. reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there will be no coupon payment for the applicable Coupon Payment Date.] [Each relevant date is considered separately and there are no catch-up payments of the Coupon Amount.]] [The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the [Underlying] [Basket Components] [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date (as defined below in Element C.16). However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p>[[Initial Fixing Level: [●]]</p> <p>[Issue Price: [●]]</p> <p>Autocall Observation Date[s]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>[Coupon Amount: [●]]</p> <p>[Coupon Trigger Level: [●]]</p> <p>[Early Redemption Coupon Amount: [●]]</p> <p>Minimum Redemption Factor: [●]</p> <p>[Denomination: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
		<p><i>[insert in the case of Express Certificates with Cash Settlement and with par value and with Downside Participation Factor (Product No. 21):</i></p>

		<p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount equals the Denomination [multiplied by the performance of the relevant exchange rate].</p> <p>An Autocall Event occurs if on an Autocall Observation Date the Reference Prices of all Basket Components exceed the respective Autocall Trigger Level.</p> <p>If there has been no early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the Basket Component with the worst performance. Furthermore, the Downside Participation Factor determines the ratio in which the Holder participates disproportionately in the loss in value of the Basket Component with the worst performance. The Redemption Amount equals the Denomination taking into account the development of the Basket Component with the worst performance and taking into account the Downside Participation Factor. [Furthermore, the performance of the relevant exchange rate is taken into account.] The Redemption Amount may fall below the Denomination.</p> <p>[Furthermore, the Holder receives a Coupon Amount [that takes also into account the performance of the relevant exchange rate] on the Coupon Payment Date[s] (as defined below in Element C.16). [The coupon payment is independent of the price performance of the Basket Component.] [The coupon payment is conditional on the occurrence of a certain event in relation to the Basket Components (e.g. reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date.] [Each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.]] [The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket Components [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date (as defined below in Element C.16). However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p>[[Initial Fixing Level: [●]]</p> <p>Issue Price: [●]</p> <p>Autocall Observation Date[s]: [●]</p>
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		<p>Autocall Trigger Level: [●]  [Coupon Amount: [●]]  [Coupon Trigger Level: [●]]  Downside Participation Factor: [●]  Denomination: [●]]  <i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p>
		<p><i>[insert in the case of Certificates with Cash Settlement and with par value and with unconditional minimum redemption and Partial Redemption Amounts (Product No. 22):</i></p> <p>The Products have the characteristic such that on various Partial Redemption Dates (as defined below in Element C.16) spread over the term a partial redemption is made in the amount of the Denomination multiplied by the Partial Redemption Factor [taking also into account the performance of the relevant exchange rate], where the payment is independent of the performance of the Basket Components. The total of the Partial Redemption Amounts paid on all Partial Redemption Dates equals at the end of the term the Denomination multiplied by the Minimum Redemption Factor. The total of the Partial Redemption Amounts also equals simultaneously the Maximum Redemption Amount.</p> <p>[Furthermore, the Holder receives a Coupon Amount [that takes also into account the performance of the relevant exchange rate] on the Coupon Payment Date[s] (as defined below in Element C.16). The investor receives a coupon payment, if the Reference Price of all Basket Components on the respective Coupon Observation Date [reaches or] exceeds its respective Coupon Trigger Level (so-called "Coupon Trigger Event"). The Coupon Amount is determined by multiplying the Denomination by (i) the applicable Coupon Rate for the respective Coupon Payment Date and by (ii) N. N equals, where:</p> <ul style="list-style-type: none"> <li>• before the respective Coupon Observation Date no Coupon Trigger Event has occurred, the number of Coupon Observation Dates from the first Coupon Observation Date (inclusive) until the relevant Coupon Observation Date (inclusive) and where</li> <li>• before the respective Coupon Observation Date a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates between the Coupon Observation Date (exclusive) on which the final Coupon Trigger Event has occurred and the respective relevant Coupon Observation Date (inclusive).</li> </ul> <p><b>If a Coupon Trigger Event has not occurred on any Coupon Observation Date, the investor does not receive a coupon pay-</b></p>

		<p><b>ment.]</b> [The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket Components [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>[Coupon Rate: [●]]</p> <p>Coupon Observation Date[s]: [●]</p> <p>[Coupon Trigger Level: [●]]</p> <p>[Minimum Redemption Factor: [●]]</p> <p>Denomination: [●]</p> <p>[Partial Redemption Factor: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
		<p><i>[insert in the case of Certificates with Cash Settlement and with unconditional minimum redemption (Product No. 23):</i></p> <p>[The level of the Redemption Amount at the end of the term depends on the price performance of the [Underlying] [Basket Components].]</p> <p>The investor receives on the Redemption Date (as defined below in Element C.16) [a cash payment that is equal to the Issue Price multiplied by the Minimum Redemption Factor [(taking also into account the performance of the relevant exchange rate)].] [a cash payment specified at issuance, the level of which depends on the performance of the Basket Component with the worst performance [(taking also into account the performance of the relevant exchange rate)].]</p> <p>[the [Denomination][Issue Price] multiplied by the sum of (A) the Minimum Redemption Factor and (B) the Participation Factor multiplied by the Final Basket Performance (as defined below in Element C.19) [whereby the result is multiplied by the performance of the relevant exchange rate]. The Final Basket Performance equals the sum of the performances of all Basket Components.]</p> <p>[the [Denomination][Issue Price] multiplied by the sum of (A) the Minimum Redemption Factor and (B) the Participation Factor multiplied by the difference between the Strike Level and the Final Fixing Level [of the [worst] [best] performing Basket Component] divided by the Initial Fixing Level [of the [worst] [best] performing Basket Component] [whereby the result is multiplied by the performance of the relevant exchange rate].]</p> <p>[(i) - in the case that the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] (as defined below in Element C.19) is above its [Initial Fixing Level] [Initial Basket Value] - the [Issue Price][Denomination] [multiplied by the performance of the relevant exchange rate]; or</p>

		<p>(ii) - in the case that the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] is above its Strike Level, but at or below its [Initial Fixing Level][Initial Basket Value] – the [Issue Price][Denomination] multiplied by the [performance of the Underlying] [performance of the [worst] [best] performing Basket Component] [performance of the Basket] [whereby the result is multiplied by the performance of the relevant exchange rate].]</p> <p>[(i) - in the case that a Barrier Event has not occurred and the [Final Fixing Level of the [Underlying] [[worst][best] performing Basket Component]] [Final Basket Value] is at or above its [Initial Fixing Level] [Initial Basket Value] - the [Denomination][Issue Price] multiplied by the [performance of the [Underlying] [[worst] [best] performing Basket Component]] [performance of the Basket]. [The result is multiplied by the performance of the relevant exchange rate.]</p> <p>(ii) - in the case that a Barrier Event has not occurred and the [Final Fixing Level of the [Underlying] [[worst][best] performing Basket Component]] [Final Basket Value] is below its [Initial Fixing Level] [Initial Basket Value] - the [Denomination][Issue Price] multiplied by the difference between (A) 200% and (B) the [performance of the [Underlying] [[worst] [best] performing Basket Component]] [performance of the Basket]. [The result is multiplied by the performance of the relevant exchange rate.]]</p> <p>[in the case that the [Final Fixing Level [of the [worst][best] performing Basket Component] is above its Strike Level, the Issue Price multiplied by the sum of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the quotient of (A) the difference between the [Final Fixing Level [of the [worst] [best] performing Basket Component] and its Strike Level and (B) the Initial Fixing Level [of the [worst] [best] performing Basket Component.] [The result is multiplied by the performance of the relevant exchange rate.]]</p> <p>[(i) – in the case that a Barrier Event has not occurred and the [performance of the [Underlying][Basket Component with the [worst] [best] performance]][Final Basket Performance] [(as defined below in Element C.19)] is negative or zero (0) – the Issue Price multiplied by the Minimum Redemption Factor[, whereby the result is multiplied by the performance of the relevant exchange rate].</p> <p>(ii) - in the case that a Barrier Event has not occurred and the [performance of the [Underlying][Basket Component with the [worst] [best] performance]] [Final Basket Performance] is positive – the Issue Price multiplied by the sum of (A) the Minimum Redemption Factor and (B) the product of the Participation Factor and the [performance of the [Underlying][Basket Component with the [worst] [best] performance] [Final Basket Performance]], whereby the result is multiplied by the performance of the relevant</p>
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		<p>exchange rate].</p> <p>(iii) - in the case that a Barrier Event has occurred, the Issue Price multiplied by the Minimum Redemption Factor plus the Rebate Coupon Amount[, whereby the result is multiplied by the performance of the relevant exchange rate].]</p> <p>[However, the investor receives a minimum of the [Denomination][Issue Price] multiplied by the Minimum Redemption Factor [and taking into account the performance of the relevant exchange rate]. [The level of the Redemption Amount is limited to the Maximum Redemption Amount, which equals the [Denomination][Issue Price] taking into account the Maximum Redemption Factor [and taking into account the performance of the relevant exchange rate].]</p> <p>[If the Final Basket Performance is zero or negative, the investor receives a minimum of the [Denomination][Issue Price] multiplied by the Minimum Redemption Factor [whereby the result is multiplied by the performance of the relevant exchange rate].]</p> <p>[If the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] is at or below its Strike Level the Redemption Amount equals the [Issue Price][Denomination] multiplied by the Minimum Redemption Factor [whereby the result is multiplied by the performance of the relevant exchange rate].]</p> <p>[The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket Components [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>[Furthermore, the Holder receives a Coupon Amount [that takes also into account the performance of the relevant exchange rate] on the Coupon Payment Date[s] (as defined below in Element C.16). The investor receives a coupon payment, if a Coupon Trigger Event has occurred on a Coupon Observation Date. <b>If a Coupon Trigger Event has not occurred on any Coupon Observation Date, the investor does not receive a coupon payment.</b>]</p> <p>[[Initial Fixing Level: [●]]</p> <p>[Initial Basket Value: [●]]</p> <p>[Issue Price: [●]]</p> <p>[Strike Level: [●]]</p> <p>[Barrier Observation Period: [●]]</p> <p>[Barrier Event: [●]]</p> <p>[Barrier Level: [●]]</p> <p>[Basket Level: [●]]</p> <p>[Coupon Amount: [●]]</p>
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		<p>[Coupon Observation Date[s]: [●]]</p> <p>[Coupon Trigger Event: [●]]</p> <p>[Coupon Trigger Level: [●]]</p> <p>Maximum Redemption Factor: [●]</p> <p>Minimum Redemption Factor: [●]</p> <p>[Denomination: [●]]</p> <p>[Upper Barrier Level: [●]]</p> <p>[Participation Factor: [●]]</p> <p>[Rebate Coupon Amount: [●]]</p> <p>[Rebate Coupon Rate: [●]]</p> <p>[Lower Barrier Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
		<p><i>[insert in the case of Capped Certificates with Cash Settlement and with unconditional minimum redemption (Product No. 24):</i></p> <p>The Product entitles the investor to receive a cash payment on the Redemption Date (as defined below in Element C.16), which equals the Minimum Redemption Factor multiplied by the [Denomination][Issue Price] [whereby the result is multiplied by the performance of the relevant exchange rate]. <b>Investors should note that the Minimum Redemption Amount may be lower than the capital invested for the purchase of the Product (including, as the case may be, the Issue Surcharge and related transaction costs).</b> If the Final Fixing Level (as defined below in Element C.19) [exceeds the Initial Fixing Level] [of the Basket Component with the worst performance exceeds its Initial Fixing Level], the investor participates up to the Cap Level in the increase in value of the [Underlying][Basket Component with the worst performance] taking into account the Participation Factor [taking also into account the performance of the relevant exchange rate]. If the Final Fixing Level [exceeds the Initial Fixing Level multiplied by the Cap Level][of the Basket Component with the worst performance exceeds its Initial Fixing Level multiplied by the Cap Level], the investor receives the Maximum Redemption Amount [multiplied by the performance of the relevant exchange rate]. <b>Investors therefore do not participate beyond the Cap Level in an increase in value of the [Underlying][Basket Component with the worst performance].</b></p> <p>[The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket Components [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p>

		<p>[[Initial Fixing Level: [●]]</p> <p>[Issue Surcharge: [●]]</p> <p>Cap Level: [●]</p> <p>Minimum Redemption Factor: [●]</p> <p>[Denomination: [●]]</p> <p>[Issue Price: [●]]</p> <p>[Participation Factor: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
		<p><i>[insert in the case of Inverse Bonus Certificates with Cash Settlement (Product No. 25):</i></p> <p>The Product entitles the investor to receive a cash payment on the Redemption Date (as defined below in Element C.16). Provided that a Barrier Event has occurred the Redemption Amount is equal to the product of the Issue Price and the quotient of (i) the difference between the Cap Level and the Final Fixing Level [of the Basket Component with the [worst][best] performance] and (ii) the Initial Fixing Level [of the Basket Component with the [worst][best] performance] [whereby the result is multiplied by the performance of the relevant exchange rate].</p> <p>If no Barrier Event has occurred, the Redemption Amount will be determined as follows:</p> <p>(i) if the Final Fixing Level [of the Basket Component with the [worst][best] performance] is below the Strike Level [of the Basket Component with the [worst][best] performance], the Redemption Amount is equal to the product of the Issue Price and the quotient of (i) the difference between the Cap Level and the Final Fixing Level [of the Basket Component with the [worst][best] performance] and (ii) the Initial Fixing Level [of the Basket Component with the [worst][best] performance] [whereby the result is multiplied by the performance of the relevant exchange rate]; or</p> <p>(ii) if the Final Fixing Level [of the Basket Component with the [worst][best] performance] is equal to or above the Strike Level [of the Basket Component with the [worst][best] performance] the Redemption Amount is equal to the Issue Price multiplied by the Bonus Level [whereby the result is multiplied by the performance of the relevant exchange rate].</p> <p>[The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket Components [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>[Initial Fixing Level: [●]]</p>

		<p>Issue Price: [●]  Strike Level: [●]  Barrier Event: [●]  [Barrier Observation Period: [●]]  Barrier Level: [●]  Bonus Level: [●]  Cap Level: [●]  Final Fixing Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p>
		<p><i>[insert in the case of Capped Inverse Bonus Certificates with Cash Settlement (Product No. 26):</i></p> <p>The Product entitles the investor to receive a cash payment on the Redemption Date (as defined below in Element C.16). Provided that no Barrier Event has occurred, the Redemption Amount equals the Bonus Level multiplied by the [Initial Fixing Level] [of the Basket Component with the [worst][best] performance] [Issue Price] [whereby the result is multiplied by the performance of the relevant exchange rate].</p> <p>If a Barrier Event has occurred the Redemption Amount [will be calculated as follows:</p> <p>(i) if a Barrier Event has occurred and the Final Fixing Level [of the Basket Component with the [worst][best] performance] is equal to or above the Strike Level [of the Basket Component with the [worst][best] performance], the Redemption Amount is equal to the product of the [Initial Fixing Level] [of the Basket Component with the [worst][best] performance] [Issue Price] and the quotient of (i) the difference between the Cap Level and the Final Fixing Level [of the Basket Component with the [worst][best] performance] and (ii) the Initial Fixing Level [of the Basket Component with the [worst][best] performance] [whereby the result is multiplied by the performance of the relevant exchange rate], or</p> <p>(ii) if a Barrier Event has occurred and the Final Fixing Level [of the Basket Component with the [worst][best] performance] is below the Strike Level [of the Basket Component with the [worst][best] performance], the Redemption Amount is equal to the [Initial Fixing Level] [of the Basket Component with the [worst][best] performance] [Issue Price] multiplied by the Bonus Level.] [is equal to the product of the [Initial Fixing Level] [of the Basket Component with the [worst][best] performance] [Issue Price] and the quotient of (i) the difference between the Cap Level and the Final Fixing Level [of the Basket Component with the [worst][best] performance] and (ii) the Initial Fixing Level [of the</p>

		<p>Basket Component with the [worst][best] performance] [whereby the result is multiplied by the performance of the relevant exchange rate].]</p> <p>[The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket Components [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>[Initial Fixing Level: [●]]</p> <p>[Issue Price: [●]]</p> <p>Strike Level: [●]</p> <p>Barrier Event: [●]</p> <p>[Barrier Observation Period: [●]]</p> <p>Barrier Level: [●]</p> <p>Bonus Level: [●]</p> <p>Cap Level: [●]</p> <p>Final Fixing Level: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p>
		<p><i>[insert in the case of Mini Future Certificates with Cash Settlement (Product No. 27):</i></p> <p>The Product entitles the investor to receive a cash payment on the Redemption Date (as defined below in Element C.16), which equals the product of <i>[insert in the case of Mini Future Long Certificates: (i) the Conversion Ratio and (ii) the difference between the Final Fixing Level and the [Current] Strike Level]</i> <i>[insert in the case of Mini Future Short Certificates: (i) the Conversion Ratio and (ii) the difference between the [Current] Strike Level and the Final Fixing Level]</i>, subject to the occurrence of a Stop-Loss Event [whereby the result is multiplied by the performance of the relevant exchange rate].</p> <p>In the event that a Stop-Loss Event has occurred, the term of the Products shall end automatically on the day of the occurrence of the Stop-Loss Event without the need for a separate termination of the Products by the Issuer. In this case the Redemption Amount to be paid by the Issuer equals the product of <i>[insert in the case of Mini Future Long Certificates: (i) the Conversion Ratio and (ii) the difference between the Stop-Loss Price and the [Current] Strike Level]</i> <i>[insert in the case of Mini Future Short Certificates: (i) the Conversion Ratio and (ii) the difference between the [Current] Strike Level and the Stop-Loss Price]</i> [whereby the result is multiplied by the performance of the relevant exchange rate]. The Redemption Amount is at least zero.</p>

		<p>[[Initial Fixing Level: [●]]  Strike Level: [●]  Conversion Ratio: [●]  Final Fixing Level: [●]  Stop-Loss Barrier: [●]  [Stop-Loss Observation Period: [●]]  Stop-Loss Event: [●]  Stop-Loss Price: [●]]  <i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]]</i></p>
		<p><i>[insert in the case of Inverse Express Certificates with Cash Settlement (Product No. 28):</i></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If an Autocall Event has occurred, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount in the Settlement Currency equals the [Issue Price] [Reference Amount] [multiplied by the performance of the relevant exchange rate].</p> <p>An Autocall Event occurs if on an Autocall Observation Date [the Reference Price (as defined below in Element C.19) falls below the Autocall Trigger Level][the Reference Prices (as defined below in Element C.19) of all Basket Components fall below the Autocall Trigger Level].</p> <p>If an early redemption does not occur, the performance of the [Underlying][Basket Components] determines the level of the Redemption Amount on the Redemption Date (as defined below in Element C.16).</p> <p>The Redemption Amount is determined as follows:</p> <p>(i) If no Barrier Event has occurred the Redemption Amount is equal to the [Issue Price] [Reference Amount] [multiplied by the performance of the relevant exchange rate]. [The Redemption Amount also equals the [Issue Price] [Reference Amount] [multiplied by the performance of the relevant exchange rate], if a Barrier Event has occurred, but the Final Fixing Level [of the Basket Component with the [Worst] [Best] Performance] is below [the][its] [Initial Fixing Level][Strike Level].]</p> <p>(ii) If the conditions set out under (i) are not met the Redemption Amount equals the [Issue Price] [Reference Amount] multiplied by the difference between 200% and [the Performance of the Underlying] [the Performance of the Basket Component with the [worst] [best] performance] [and further multiplied by the</p>

		<p>performance of the relevant exchange rate]. The Redemption Amount is at least zero.</p> <p>[Furthermore, the Holder receives a Coupon Amount [that takes also into account the performance of the relevant exchange rate] on the Coupon Payment Date[s] (as defined below in Element C.16). [The coupon payment is independent of the performance of the [Underlying][Basket Components].][The coupon payment is conditional on the occurrence of a certain event in relation to the [Underlying][Basket Components] (e.g. reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there will be no coupon payment for the applicable Coupon Payment Date. [Each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.]] [The Holder receives a coupon payment on the respective Coupon Payment Date (as defined in Element C.16). The amount of the coupon payment depends on the development of the Basket Components [and takes into account the performance of the relevant exchange rate]. The coupon payment is at least zero.]</p> <p>With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p>[[Initial Fixing Level: [●]]</p> <p>[Issue Price: [●]]</p> <p>Autocall Observation Date[s]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Observation Period: [●]]</p> <p>[Coupon Amount: [●]]</p> <p>[Coupon Trigger Level: [●]]</p> <p>[Performance of the Underlying: [●]]</p> <p>[Performance of the Basket Component: [●]]</p> <p>[Reference Amount: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
		<p><i>[insert in the case of Warrants with Cash Settlement (Product No. 29):</i></p> <p>The Product entitles the investor to receive a cash payment on the Redemption Date (as defined below in Element C.16), which equals the product of (i) the [Conversion Ratio] [Denomination] [Issue Price] and (ii)</p>

		<p><i>[insert in the case of Call Warrants:</i> [the quotient of (A) the difference between the [Final Fixing Level [of the worst performing Basket Component]] [Final Basket Value] (as defined below in Element C.19) and the Strike Level and (B) the [Initial Fixing Level [of the worst performing Basket Component]] [Initial Basket Value]] [the difference between (A) the [performance of the Underlying (quotient of the Final Fixing Level and the [Initial Fixing Level] [Strike Level])] [performance of the worst performing Basket Component (quotient of the Final Fixing Level and the [Initial Fixing Level] [Strike Level] of the worst performing Basket Component)] [performance of the Basket (quotient of the Final Basket Value and the Initial Basket Value)] and (B) the [Initial Fixing Level] [Strike Level]]]</p> <p><i>[insert in the case of Put Warrants:</i> [the quotient of (A) the difference between the [Initial Fixing Level] [Strike Level] and the [Final Fixing Level [of the worst performing Basket Component]] [Final Basket Value] (as defined below in Element C.19) and (B) the [[Initial Fixing Level] [Strike Level] [of the worst performing Basket Component]] [Initial Basket Value]] [the difference between (A) the [Initial Fixing Level] [Strike Level] and (B) the [performance of the Underlying (quotient of the Final Fixing Level and the Initial Fixing Level)] [performance of the worst performing Basket Component (quotient of the Final Fixing Level and the [Initial Fixing Level] [Strike Level] of the worst performing Basket Component)] [performance of the Basket (quotient of the Final Basket Value and the Initial Basket Value)]]] [, whereby the result is multiplied by the performance of the relevant exchange rate].</p> <p><i>[insert in the case of Warrants that provide for a Maximum Redemption Amount:</i> The Redemption Amount will not exceed the Maximum Redemption Amount which equals the product of (i) the [Conversion Ratio] [Denomination] [Issue Price] and (ii) <i>[insert in the case of Call Warrants:</i> [the quotient of (A) the difference between the Cap Level and the [Initial Fixing Level] [Strike Level] and (B) the [[Initial Fixing Level] [Strike Level] [of the worst performing Basket Component]] [Initial Basket Value]] [the difference between (A) the Cap Level and (B) the [Initial Fixing Level] [Strike Level]]] <i>[insert in the case of Put Warrants:</i> [the quotient of (A) the difference between the [Strike Level] [Initial Fixing Level] and the Cap Level and (B) the [Initial Fixing Level [of the worst performing Basket Component]] [Initial Basket Value]] [the difference between (A) the [Strike Level] [Initial Fixing Level] and (B) the Cap Level]] [, whereby the result is multiplied by the performance of the relevant exchange rate].]</p> <p>The Redemption Amount is at least zero.</p> <p>[[Initial Fixing Level: [●]]</p> <p>[Initial Basket Value: [●]]</p> <p>[Issue Price: [●]]</p>
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		<p>Strike Level: [●]</p> <p>[Conversion Ratio: [●]]</p> <p>[Cap Level: [●]]</p> <p>[Denomination: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
		<p><i>[insert in the case of Participation Certificates (Product No. 30):</i></p> <p>The Product entitles the investor to receive a cash payment on the Redemption Date (as defined below in Element C.16) [or the physical delivery of the [Underlying] [[worst] [best] performing Basket Component]] depending on the performance of the [Underlying] [[worst] [best] performing Basket Component] [Basket].</p> <p>[The following cases are to be distinguished:</p> <p>Provided that no Barrier Event has occurred, the Redemption Amount will be determined as follows [(whereby the respective result is multiplied by the performance of the relevant exchange rate):</p> <p>(i) if the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] [(as defined below in Element C.19)] is at or below the [Initial Fixing Level [of the [worst] [best] performing Basket Component]] [Initial Basket Value], the Redemption Amount is equal to the [product of the [Issue Price][Denomination] and the difference between 200 % and the performance of the [Underlying] [[worst] [best] performing Basket Component] [Basket]] [[Denomination][Issue Price] multiplied by the sum of (A) 100 % and (B) the difference between 100 % and the performance of the [Underlying] [[worst] [best] performing Basket Component] [Basket] whereby such difference is multiplied by the Participation Factor]; or</p> <p>(ii) if the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] is above the [Initial Fixing Level [of the [worst] [best] performing Basket Component]] [Initial Basket Value] the Redemption Amount is equal to the [Issue Price] [Denomination] multiplied by the performance of the [Underlying] [[worst] [best] performing Basket Component] [Basket]] [[Denomination] [Issue Price] multiplied by the sum of (A) 100 % and (B) the difference between the [performance of the [Underlying] [[worst] [best] performing Basket Component] [Basket] and 100 % whereby such difference is multiplied by the Participation Factor]. [The Redemption Amount will not exceed the Maximum Redemption Amount [that equals the [Denomination] [Issue Price] multiplied by the sum of (A) 100 % and (B) the difference between the Cap Level and 100 % whereby such difference is multiplied by the Participation Factor].]</p> <p>Provided that a Barrier Event has occurred [the Redemption</p>



		<p>Amount equals the [Issue Price][Denomination] multiplied by the performance of the [Underlying] [[worst] [best] performing Basket Component] [Basket]. [The Redemption Amount will not exceed the Maximum Redemption Amount [that equals the Issue Price multiplied by the Cap Level.]] [the Holder receives delivery of a certain number of the [Underlying] [[worst] [best] performing Basket Component] expressed by the Conversion Ratio. Fractions of the [Underlying] [[worst] [best] performing Basket Component] are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.]]</p> <p>[The following cases are to be distinguished [(whereby the respective result is multiplied by the performance of the relevant exchange rate)]:</p> <p>(i) If the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] [(as defined below in Element C.19)] is at or below the [Initial Fixing Level [[of the [worst] [best] performing Basket Component]]] [Initial Basket Value], the Redemption Amount equals the [Denomination] [Issue Price] multiplied by the sum of (A) 100 % and (B) the Downside Participation Factor that is multiplied by the performance of the [Underlying] [[worst] [best] performing Basket Component] [Basket].</p> <p>(ii) If the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] is above the [Initial Fixing Level [of the [worst] [best] performing Basket Component]] [Initial Basket Value], the Redemption Amount equals the [Denomination] [Issue Price] multiplied by the sum of (A) 100 % and (B) the Participation Factor that is multiplied by the performance of the [Underlying] [[worst] [best] performing Basket Component] [Basket].]</p> <p><i>[insert in the case of Participation Certificate with rainbow structure: The Redemption Amount equals the Issue Price multiplied by the the sum of (A) 100 %, (B) the Participation Factor 1 multiplied by the performance of the best performing Basket Component minus 100 %, (C) the Participation Factor 2 multiplied by the performance of the Basket Component with the second highest performance minus 100 % and (D) the Participation Factor 3 multiplied by the performance of the worst performing Basket Component minus 100 %. [The result is multiplied by the performance of the relevant exchange rate.]]</i></p> <p>[[Initial Fixing Level: [●]]</p> <p>[Initial Basket Value: [●]]</p> <p>[Issue Price: [●]]</p> <p>[Conversion Ratio: [●]]</p> <p>[Barrier Observation Period: [●]]</p> <p>[Barrier Event: [●]]</p>
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		<p>[Barrier Level: [●]]</p> <p>[Cap Level: [●]]</p> <p>[Downside Participation Factor: [●]]</p> <p>[Denomination: [●]]</p> <p>[Participation Factor: [●]]</p> <p>[Participation Factor 1: [●]]</p> <p>[Participation Factor 2: [●]]</p> <p>[Participation Factor 3: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
		<p><i>[insert in the case of Spread Certificates with Cash Settlement (Product No. 31):</i></p> <p>The Product entitles the investor to receive a cash payment on the Redemption Date (as defined below in Element C.16), which equals, subject to the occurrence of a Stop-Loss Event, the product of (i) the [Denomination][Issue Price] and (ii) the sum of the Adjustment Factor and the Outperformance minus the Management Factor. [The result is multiplied by the performance of the relevant exchange rate]. The Outperformance equals the amount by which the performance of Basket Component 1 exceeds the performance of Basket Component 2.</p> <p>In the event that a Stop-Loss Event has occurred, the term of the Products shall end automatically on the day of the occurrence of the Stop-Loss Event without the need for a separate termination of the Products by the Issuer. In this case the Redemption Amount to be paid by the Issuer equals the Stop-Loss Redemption Amount , that is determined by the Calculation Agent in its reasonable discretion. The Stop-Loss Redemption Amount is at least zero.</p> <p>[[Initial Fixing Level: [●]]</p> <p>Adjustment Factor: [●]</p> <p>[Issue Price: [●]]</p> <p>Final Fixing Level: [●]</p> <p>[Denomination: [●]]</p> <p>Stop-Loss Barrier: [●]</p> <p>[Stop-Loss Observation Period: [●]]</p> <p>Stop-Loss Event: [●]</p> <p>Stop-Loss Redemption Amount: [●]</p> <p>Management Factor: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>

		<p><i>[insert in the case of Short Participation Certificates with Cash Settlement and with unconditional minimum redemption (Product No. 32):</i></p> <p>The Product entitles the investor to receive a cash payment on the Redemption Date (as defined below in Element C.16) that is determined as follows:</p> <p>[(a) if a Barrier Event has not occurred and the [Final Fixing Level (as defined below in Element C.19) [of the [worst] [best] performing Basket Component] [Final Basket Value (as defined below in Element C.19)] is at or below the [[Initial Fixing Level] [Strike Level] [of the [worst] [best] performing Basket Component] [Initial Basket Value], the Redemption Amount equals the [Issue Price][Denomination] multiplied by the sum of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the difference between [100 %][Strike Level (in%)] [and the performance of the [Underlying][[worst][best] performing Basket Component] [Basket]]. [The result is multiplied by the performance of the relevant exchange rate.]</p> <p>(b) if a Barrier Event has not occurred and the Final Fixing Level [of the [worst] [best] performing Basket Component] [Final Basket Value] is above the [[Initial Fixing Level][Strike Level] [of the [worst] [best] performing Basket Component] [Initial Basket Value], the Redemption Amount equals the [Issue Price][Denomination] multiplied by the Minimum Redemption Factor (the "<b>Minimum Redemption Amount</b>") [whereby the result is multiplied by the performance of the relevant exchange rate]. <b>Investors should note that the Minimum Redemption Amount may be lower than the capital invested for the purchase of the Product (including, as the case may be, the Issue Surcharge and related transaction costs).</b></p> <p>(c) if a Barrier Event has occurred the Redemption Amount equals the [Issue Price][Denomination] multiplied by the sum of the Minimum Redemption Factor and the Rebate Coupon Rate [whereby the result is multiplied by the performance of the relevant exchange rate].]</p> <p>[(a) In the case that the [Final Fixing Level (as defined below in Element C.19) [of the [worst] [best] performing Basket Component] [Final Basket Value (as defined below in Element C.19)] is [at or] below the [[Initial Fixing Level][Strike Level] [of the [worst] [best] performing Basket Component] [Initial Basket Value] [multiplied by the Strike Level] [, but at or above the [[Initial Fixing Level][Strike Level] [of the [worst] [best] performing Basket Component] [Initial Basket Value] multiplied by the Cap Level [(in%)]], the Redemption Amount equals the [Denomination][Issue Price] multiplied by the sum of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the difference between [100 %][Strike Level [(in%)]] [of the [Underlying] [[worst][best] performing Basket Component]</p>
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		<p>[Basket]] and [the performance of the [Underlying][[worst][best] performing Basket Component] [Basket]] [its Final Fixing Level][the Final Basket Value] [whereby the difference is divided by the [Initial Fixing Level [of the [Underlying] [[worst][best] performing Basket Component] [Initial Basket Value]]. [The result is multiplied by the performance of the relevant exchange rate.] [The Redemption Amount will not exceed the Maximum Redemption Amount that is paid in the case that the [Final Fixing Level [of the [worst] [best] performing Basket Component] [Final Basket Value] is below the [[Initial Fixing Level][Strike Level] [of the [worst] [best] performing Basket Component] [Initial Basket Value] multiplied by the Cap Level [(in%)]. The Maximum Redemption Amount equals the [Denomination][Issue Price] multiplied by the sum of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the difference between the Strike Level [(in%)] and the Cap Level [(in%)] [taking into account the performance of the relevant exchange rate.]</p> <p>(b) In the case that the [Final Fixing Level [of the [worst] [best] performing Basket Component] [Final Basket Value] is [at or] above the [[Initial Fixing Level] [Strike Level] [of the [worst] [best] performing Basket Component] [Initial Basket Value] [multiplied by the Strike Level], the Redemption Amount equals the [Denomination][Issue Price] multiplied by the Minimum Redemption Factor (the "<b>Minimum Redemption Amount</b>") [whereby the result is multiplied by the performance of the relevant exchange rate]. <b>Investors should note that the Minimum Redemption Amount may be lower than the capital invested for the purchase of the Product (including, as the case may be, the Issue Surcharge and related transaction costs).</b></p> <p>[[Initial Basket Value: [●]]</p> <p>[Initial Fixing Level: [●]]</p> <p>[Issue Surcharge: [●]]</p> <p>[Issue Price: [●]]</p> <p>[Strike Level: [●]]</p> <p>[Barrier Observation Period: [●]]</p> <p>[Barrier Event: [●]]</p> <p>[Barrier Level: [●]]</p> <p>[Cap Level: [●]]</p> <p>[Maximum Redemption Amount: [●]]</p> <p>Minimum Redemption Factor: [●]</p> <p>[Denomination: [●]]</p> <p>[Participation Factor: [●]]</p> <p>[Rebate Coupon Rate: [●]]]</p>
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		<p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
		<p><i>[insert in the case of Knock-Out Warrants (Product No. 33):</i></p> <p>The Product entitles the investor to receive a cash payment on the Redemption Date (as defined below in Element C.16), which equals</p> <p><i>[insert in the case of Knock-Out Call Warrants:</i></p> <p>(a) in the case that a Knock-Out Event has not occurred – [and the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] (as defined below in Element C.19) is above the [relevant] Strike Level – the [Denomination][Issue Price] multiplied by the product of (i) the Participation Factor and (ii) the difference between (A) the quotient of the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] and the [Initial Fixing Level [of the [worst] [best] performing Basket Component]] [Initial Basket Value] and (B) the [relevant] Strike Level.]</p> <p>[the [Denomination][Issue Price] multiplied by the difference between (A) the quotient of the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] (as defined below in Element C.19) and the [Initial Fixing Level [of the [worst] [best] performing Basket Component]] [Initial Basket Value] and (B) the Strike Level; the Redemption Amount is at least zero (0).]</p> <p>[(b) in the case that a Knock-Out Event has not occurred and the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] is at or below the [relevant] Strike Level – zero (0), i.e. no payments will be made and the Product will expire worthless.]</p> <p>[(b) [(c)] in the case that a Knock-Out Event has occurred – [zero (0), i.e. no payments will be made and the Product will expire worthless][the [Denomination][Issue Price] multiplied by the Rebate].]</p> <p><i>[insert in the case of Knock-Out Put Warrants:</i></p> <p>(a) in the case that a Knock-Out Event has not occurred – [and the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] (as defined below in Element C.19) is at or below the [relevant] Strike Level – the [Denomination][Issue Price] multiplied by the product of (i) the Participation Factor and (ii) the difference between (A) the [relevant] Strike Level and (B) the quotient of the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] and the [Initial Fixing Level [of the [worst] [best] performing Basket Component]] [Initial Basket Value].]</p> <p>[the [Denomination][Issue Price] multiplied by the difference</p>

		<p>between (A) the Strike Level and (B) the quotient of the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] (as defined below in Element C.19) and the [Initial Fixing Level [of the [worst] [best] performing Basket Component]] [Initial Basket Value]; the Redemption Amount is at least zero (0).]</p> <p>[(b) in the case that a Knock-Out Event has not occurred and the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] is above the [relevant] Strike Level – zero (0), i.e. no payments will be made and the Product will expire worthless.]</p> <p>[(b) [(c) in the case that a Knock-Out Event has occurred – [zero (0), i.e. no payments will be made and the Product will expire worthless][the [Denomination]][Issue Price] multiplied by the Rebate].]</p> <p>[[Initial Fixing Level: [●]]</p> <p>[Initial Basket Value: [●]]</p> <p>[Issue Price: [●]]</p> <p>[Strike Level: [●]]</p> <p>[Knock-Out Event: [●]]</p> <p>[Knock-Out Level: [●]]</p> <p>[Knock-Out Periode: [●]]</p> <p>[Denomination: [●]]</p> <p>[Rebate: [●]]</p> <p>[Participation Factor: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
		<p><i>[insert in the case of Dual Currency Notes (Product No. 34):</i></p> <p>The Product entitles the investor to receive a cash payment on the Redemption Date (as defined below in Element C.16), which is determined as follows:</p> <p>(a) If the Final Fixing Level (as defined below in Element C.19) is at or below the Strike Level, the Redemption Amount equals the Denomination multiplied by the sum of one (1) and the Coupon Rate taking into account the Coupon Day Count Fraction, whereby the result is converted from the Settlement Currency into the Alternative Currency using the Strike Level. In this case, the investor will accordingly receive a Redemption Amount in the Alternative Currency.</p> <p>(b) If the Final Fixing Level is above the Strike Level, the Redemption Amount in the Settlement Currency equals the Denomination multiplied by the sum of one (1) and the Coupon Rate taking into account the Coupon Day Count Fraction.</p>

		<p>[[Alternative Currency: [●]]</p> <p>[Initial Fixing Level: [●]]</p> <p>[Issue Surcharge: [●]]</p> <p>[Issue Price: [●]]</p> <p>[Strike Level: [●]]</p> <p>[Coupon Rate: [●]]</p> <p>[Coupon Day Count Fraction: [●]]</p> <p>[Denomination: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
		<p><i>[insert in the case of Stability Notes (Product No. 35):</i></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether a Gap Event has occurred. If a Gap Event has occurred, the term of the Products ends early and the Products are redeemed early following the date on which the Gap Event has occurred. If a Gap Event has occurred the Redemption Amount is determined as follows:</p> <p>(a) If the Gap is equal to or below the Gap Level, the Redemption Amount is zero (0).</p> <p>(b) If the Gap is above the Gap Level, the Redemption Amount equals the [Denomination][Issue Price] multiplied by the difference between (A) 100 % and (B) the difference between the Strike Level and the Gap that is multiplied by the Leverage. However, the Redemption Amount is at least zero (0).</p> <p>If a Gap Event has not occurred during the term of the Product the Redemption Amount on the Redemption Date (as defined below in Element C.16) is equal to the [Denomination][Issue Price].</p> <p>Provided that no Gap Event has occurred, the Holder receives a Coupon Amount on the relevant Coupon Payment Date that is determined on the basis of the Coupon Rate and the [Denomination][Issue Price]. The coupon payment is independent of the performance of the Underlying.</p> <p>[[Initial Fixing Level: [●]]</p> <p>[Issue Price: [●]]</p> <p>[Strike Level: [●]]</p> <p>[Coupon Amount: [●]]</p> <p>[Coupon Rate: [●]]</p> <p>[Coupon Payment Date: [●]]</p> <p>Gap: [●]</p> <p>Gap Event: [●]</p>

		<p>Gap Level: [●]</p> <p>Gap Observation Period: [●]</p> <p>[Leverage: [●]]</p> <p>[Denomination: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
C.16	Settlement Date, Final Valuation Date	<p>[[Redemption Date: [●]]</p> <p>[Partial Redemption Date: [●]]</p> <p>[Final Fixing Date: [●]]</p> <p>[Early Redemption Date: [●]]</p> <p>[Coupon Payment Date(s): [●] [The Holder is only entitled to receive the Coupon Amount on the relevant Coupon Payment Date, if he holds the Product on the relevant Record Date. The "Record Date" means [1 Banking Day before the relevant Coupon Payment Date][●]. [Banking Day: [means any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the principal financial center for the relevant Settlement Currency. In respect of any Product in which the Settlement Currency is the euro, any day on which the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET) system is open shall be a Banking Day.] [●].]]</p> <p><i>[in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●]</i></p>
C.17	Settlement procedure	The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.
C.18	Description of how the return on derivative securities takes place.	The Issuer will be discharged of its payment and/or delivery obligations by payment and/or delivery to, or to the order of, the relevant Clearing System (or a depository or nominee thereof) in respect of the amount so paid or delivered.
C.19	Reference price of the underlying	<p>[Initial Fixing Period: [●]]</p> <p>[[Basket Performance: [●]]</p> <p>[Price: [●]]</p> <p>[Final Fixing Level: [●]]</p> <p>[Final Basket Value: [●]]</p> <p>[Final Basket Performance: [●]]</p> <p>[Reference Price: [●]]</p> <p><i>[in the case of series of products, insert as necessary table of above</i></p>



		<i>mentioned relevant definitions: ●</i>
C.20	Description of the type of the underlying and where the information on the underlying can be found	<p>Type: [Basket of] [Share[s]][ and ][Participation Certificate[s] (<i>Genussschein[e]</i>)] [ and ] [Securities representing Shares] [ and ] [Index][Indices] [ and ] [Foreign Exchange Rate[s]] [ and ] [Commodity][Commodities] [ and ] [Futures Contract[s]] [ and ] [Fixed Rate Instrument] [ and ] [Derivative Instrument] [ and ] [share[s] in an exchange traded Fund] [ and ] [unlisted Fund Unit[s]] [ and ] [Interest Rate[s]] [ and ] [Reference Rate[s]]</p> <p>[[Name of Underlying: [●]]</p> <p>[Name of Basket Components: [●] [<i>specify/define Target One Underlying, if applicable: ●</i>]]</p> <p>[ISIN: [●]]</p> <p>[WKN: [●]]</p> <p>[<i>insert additional identifier for the Underlying:●</i>]</p> <p>[Share Issuer: [●]]</p> <p>[Index Sponsor: [●]]</p> <p>[Fund manager: [●]]</p> <p>[Exchange(s): [●]]</p> <p>[Underlying Price: [●]]</p> <p>[Reference Currency: [●]]</p> <p>[Screen Page: [●]]</p> <p>[Website: [●]]]</p> <p>[<i>in the case of series of products, insert as necessary table of above mentioned relevant definitions: ●</i>]</p>
<b>Section D – Risks</b>		
D.2	Key information on the key risks that are specific to the Issuer	<p>The Issuer is exposed to risks resulting primarily from the issuance of structured investment products. The Issuer is exposed to market risks, which result from mismatches between its exposure to equity prices, interest rates, currencies, credit spreads and commodity prices arising from the issuance of structured investment products and the instruments that the Issuer uses to hedge that exposure. It is also exposed to liquidity risks relating to the need to fund hedging activities. The Issuer is exposed to credit risks due to its exposure to trading counterparties and as a result of the investment of the proceeds from the issuance of structured investment products in bonds and other fixed-income instruments. In addition, the Issuer is also exposed to model, operational and reputational risks, as well as potential changes in the regulatory and macro-economic environment and its rating.</p> <ul style="list-style-type: none"> <li>• Financial information of the Issuer should not be relied on as evidence of future results.</li> </ul>

		<ul style="list-style-type: none"> <li>• The Issuer may not be able to fulfil its obligations due to a deteriorated financial situation. The Issuer may become insolvent.</li> <li>• The Issuer is exposed to the risk that its valuation and risk measurement model may be incorrect and that its risk management measures may not prove successful.</li> <li>• The Issuer is exposed to market risks arising from open positions in interest rate, currency, commodity, credit, equity and other products which may adversely affect its results of operations.</li> <li>• The Issuer is exposed to significant and increasing competition which may adversely affect its future results of operations.</li> <li>• The Issuer is exposed to the risks relating to its platform partners business which may adversely affect its results of operations.</li> <li>• The Issuer is exposed to the credit risk of its counterparties.</li> <li>• The Issuer is exposed to market liquidity and funding liquidity risks which may adversely affect its ability to operate its business and its future results of operations.</li> <li>• The Issuer's risk exposure in financial instruments leads to certain risk concentrations which could result in a significant loss of the Issuer which in turn may adversely affect the Issuer's result of operations.</li> <li>• The Issuer's activities and results of operations may be adversely affected by operational risks. The Issuer may be adversely affected by compliance, legal, regulatory, and reputational risks.</li> <li>• The Issuer may be adversely affected by tax risks.</li> <li>• The Issuer's liquidity, profitability and businesses may be adversely affected by a reduction in its credit ratings.</li> </ul>
D.3 D.6	Key information on the key risks that are specific to the securities	<p><i>An investor in the Products should note that he/she may lose its entire investment or part of it.</i></p> <p><b><u>1. Risk factors associated with all Products</u></b></p> <ul style="list-style-type: none"> <li>• The Products are risky investment instruments. Compared to other capital investments, the risk of loss – up to the total loss of the invested capital as well as the related transaction costs – is high.</li> <li>• The Products may pay fixed or variable interest. In the case of Products with variable interest/coupon payment, Holders should consider that the interest/coupon payments may fall to zero (0) or be dependent on a condition. In the case of Products with a fixed interest/coupon rate, Holders should</li> </ul>

		<p>note that they do not participate in an increase in market interest rates.</p> <ul style="list-style-type: none"> <li>• The Products do not, unless expressly provided, yield any current income and especially do not confer any claim to receive dividend payments.</li> <li>• The investor's individual return depends significantly on the purchase price paid for the Product and the performance of the Product. The risk of losses already exists during the term of a Product.</li> <li>• The Products may be physically settled and investors will not receive a monetary amount. There is a risk that the delivered Underlying, respectively the delivered basket component or reference securities, may only have a very low value or may, in fact, be worthless. In this case, there is a risk of losses – up to the total loss of the invested capital as well as the related transaction costs. Furthermore, investors bear the issuer and securities risks of the deliverable Underlying.</li> <li>• Investors bear the credit risk of the Issuer of the Products. The Products are neither secured nor guaranteed by any deposit protection fund or any governmental agency.</li> <li>• The collateralization in accordance with the terms of the SIX Swiss Exchange AG «Framework Agreement for Collateral Secured Instruments» (COSI) reduces the issuer default risk only to the extent that the proceeds from the liquidation of collateral are able to meet the investors' claims. To the extent the calculation of the current value of a COSI Product proves to be incorrect, the collateral provided for the COSI Product may be insufficient. Investors do not themselves have a surety right to the collateral.</li> <li>• The collateralization in accordance with the terms of the TCM Security Agreement eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. In case the calculation of the Current Value of the product (value of the product set too low prior to liquidation) or the security (value of the security set too high prior to liquidation) may prove to be incorrect, the collateralization of the product may be insufficient. If the terms and conditions underlying the Products provide for a termination right of the Issuer in the event that the TCM Security Agreement is terminated, the Investor bears the return and reinvestment risk if the Issuer exercises its termination right.</li> <li>• Investors should consider that price movements of the Underlying (or the non-occurrence of an expected price movement) may decrease the value of the Products disproportionately and even render them worthless and that there is no as-</li> </ul>
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		<p>insurance that in the case of Products with a limited term, the price of the Product will recover in time.</p> <ul style="list-style-type: none"> <li>• Investors should be aware that they may not be able to hedge their exposure from the Products.</li> <li>• A credit financing of the acquisition of Products significantly increases the risk of loss to investors.</li> <li>• Transactions of the Issuer or its respective affiliates to hedge the risk relating to the execution and performance of obligations arising out of the Products may have a significant effect on the performance of the Underlying and thus on the Products.</li> <li>• Fees and other transactions costs reduce the chances of the Investor generating a profit from the purchase of the Product.</li> <li>• Investors are exposed to the risk of wrong expectation with respect to the Products' liquidity due to the issue size mentioned in the Final Terms.</li> <li>• Investors in listed Products or in Products linked to listed underlyings and/or basket components are subject to risks arising from any eventual suspension from trading or delisting from the relevant exchange for reasons not attributable to the Issuer and the Lead Manager and this might have material adverse effects on the value of the Products.</li> <li>• The Products may have no liquidity or the market for such Products may be limited and this may adversely impact their value or the ability of the Investor to dispose of them.</li> <li>• Market disruptions, adjustment measures and termination rights may negatively affect the value of the Products.</li> <li>• In certain circumstances the Issuer has the right of extraordinary termination of the Products. In this case Investors will receive a reasonable market price determined in the reasonable discretion of the Issuer, which may be zero.</li> <li>• Corrections, supplements or modifications of the Conditions may be detrimental for Investors.</li> <li>• Investors are subject to the risk that events which could have a negative impact on the price of the underlying are published after preparation of the Final Terms.</li> <li>• Changes in tax law could adversely affect the value and/or the market value of the Products or may change the tax treatment of the relevant Products.</li> <li>• Holders should note that in the case of a subscription period the Issuer reserves the right to end the subscription period early or to extend it and that the Issuer is not obliged to accept subscription applications or to issue subscribed Products.</li> </ul>
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		<ul style="list-style-type: none"> <li>• Where payments under the Products will be made in a currency which is different from the currency of the Underlying, the Investors are exposed also to the performance of the currency of the Underlying, which cannot be predicted. A currency risk also exists if the account of the investor to which any amount owed is to be credited to is managed in a currency different from the settlement currency of the Product.</li> <li>• Due to the implementation of the Financial Transaction Tax investors may be liable itself to pay this charge or reimburse a financial institution for the charge, and/or the charge may affect the value of the Products negatively.</li> <li>• Risk of tax withholding due to the legislation affecting dividend equivalent payments (Section 871(m) of the U.S. Internal Revenue Code).</li> <li>• Changes in the Issuer's rating may affect the value of the Securities.</li> </ul>
		<b>2. Risk factors associated with certain types of Products</b>
		<p><i>[insert in the case of Bonus Certificates with Cash Settlement (Product No. 1):</i></p> <p><u><i>Risk of total loss in the case of a Barrier Event</i></u></p> <p>If a Barrier Event has occurred the claim to the minimum redemption expires and the Bonus Certificate is comparable with a direct investment in the [Underlying] [[worst][best] performing Basket Component] (irrespective of dividend payments). In this case the investor will be exposed to the risk of a <b>total loss</b> of the invested capital including the related transaction costs arising, if the [Underlying] [[worst][best] performing Basket Component] is worthless at the end of the term of the Product, i.e. if [the Final Fixing Level] [the Final Basket Value] is zero.]</p>
		<p><i>[insert in the case of Bonus Certificates with potential Physical Settlement (Product No. 2):</i></p> <p><u><i>Risk of total loss in the case of a Barrier Event</i></u></p> <p>If a Barrier Event has occurred the claim to the minimum redemption expires and the Products provide for a physical delivery of the Underlying. In this case the investor will be exposed to the risk of a <b>total loss</b> of the invested capital including the related transaction costs arising, if the Underlying is worthless at the end of the term of the Product.]</p>
		<p><i>[insert in the case of Capped Bonus Certificates with Cash Settlement and with par value (Product No. 3):</i></p> <p><u><i>Risk of total loss in the case of a Barrier Event</i></u></p> <p>If a Barrier Event has occurred the claim to the minimum redemption expires and the Capped Bonus Certificate is comparable with a</p>

		<p>direct investment in the underlying (irrespective of dividend payments). In this case the investor will be exposed to the risk of a <b>total loss</b> of the invested capital including the related transaction costs arising, if the Underlying is worthless at the end of the term of the Product.</p> <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>Irrespective of whether or not a Barrier Event has occurred, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of the Underlying above the Cap Level, with the result that the possible yield on Capped Bonus Certificates has an upper limit.]</p>
		<p>[insert in the case of Capped Bonus Certificates with Cash Settlement and without par value (Product No. 4):</p> <p><u>Risk of total loss in the case of a Barrier Event</u></p> <p>If a Barrier Event has occurred [and the Final Fixing Level [of the Basket Component with the Worst Performance] reaches or falls below [the][its] Initial Fixing Level multiplied by the Bonus Level] the claim to the minimum redemption expires and the Capped Bonus Certificate is comparable with a direct investment in the underlying (irrespective of dividend payments). In this case the investor will be exposed to the risk of a <b>total loss</b> of the invested capital including the related transaction costs, arising, if the Final Fixing Level of the [underlying][Basket Components] is zero (0).</p> <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>Irrespective of whether or not a Barrier Event has occurred, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of the [Underlying][Basket Components] above the Cap Level, with the result that the possible yield on Capped Bonus Certificate has an upper limit.]</p>
		<p>[insert in the case of Capped Bonus Certificates with potential Physical Settlement (Product No. 5):</p> <p><u>Risk of total loss in the case of a Barrier Event</u></p> <p>If a Barrier Event has occurred the claim to the minimum redemption expires and the Capped Bonus Certificate is comparable with a direct investment in the underlying (irrespective of dividend payments). In this case the Holder receives delivery of the Underlying. In this case the investor will be exposed to the risk of a <b>total loss</b> of the invested capital including the related transaction costs arising, if the Final Fixing Level of the underlying is zero (0).</p> <p><u>Redemption Amount is limited to the Maximum Redemption</u></p>

		<p><u>Amount</u></p> <p>Irrespective of whether or not a Barrier Event has occurred, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of the Underlying above the Cap Level, with the result that the possible yield on Capped Bonus Certificate has an upper limit.]</p>
		<p>[insert in the case of Notes (Reverse Convertibles) with Cash Settlement (Product No. 6):</p> <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>The Redemption Amount (regardless of possible coupon payments during the term) will not exceed the Denomination in any case.</p> <p><u>Risk of total loss</u></p> <p>If the Final Fixing Level is equal to or falls below the Strike Level, the Redemption Amount equals the Denomination multiplied by the Performance of the Underlying. In this scenario, the Redemption Amount will generally be lower than the Denomination. This means that from a certain point the fixed coupon payment(s) may no longer be able to offset the negative performance of the Underlying and the capital loss experienced, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the Redemption Amount plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the fixed coupon payment(s) – if the Underlying is worthless at the end of the term.]</p>
		<p>[insert in the case of Notes (Reverse Convertibles) with potential Physical Settlement (Product No. 7):</p> <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>The Redemption Amount (regardless of possible coupon payments during the term) will not exceed the Denomination in any case.</p> <p><u>Risk of total loss</u></p> <p>If the Final Fixing Level is equal to or falls below the Strike Level, the Products provide for a physical delivery of the Underlying. In the case of a settlement of the Products by physical delivery of the Underlying, it is to be noted that the equivalent value of the delivered Underlyings is generally lower than the Denomination. This means that from a certain point the fixed coupon payment(s) may no longer be able to offset the negative performance of the Underlying and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii)</p>

		<p>the equivalent value of the delivered Underlyings plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the fixed coupon payment(s) – if the Underlying is worthless at the end of the term.]</p>
		<p><i>[insert in the case of Notes (Barrier Reverse Convertibles) with Cash Settlement (Product No. 8):</i></p> <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>The Redemption Amount (regardless of possible coupon payments during the term) will not exceed the Denomination in any case.</p> <p><u>Risk of total loss</u></p> <p>If a Barrier Event has occurred [and the Final Fixing Level is equal to or falls below the Initial Fixing Level], the Redemption Amount equals the Denomination multiplied by the performance of the [Underlying] [Basket Component with the worst performance]. In this scenario, the Redemption Amount will be lower than the Denomination. This means that from a certain point the fixed coupon payment(s) may no longer be able to offset the negative performance of the [Underlying] [Basket Component with the worst performance] and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the Redemption Amount plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the fixed coupon payment(s) – if the [Underlying] [Basket Component with the worst performance] is worthless at the end of the term.]</p>
		<p><i>[insert in the case of Notes (Barrier Reverse Convertibles) with potential Physical Settlement (Product No. 9):</i></p> <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>The Redemption Amount (regardless of possible coupon payments during the term) will not exceed the Denomination in any case.</p> <p><u>Risk of total loss</u></p> <p>If a Barrier Event has occurred [and the Final Fixing Level is equal to or falls below the Initial Fixing Level], the Products provide for a physical delivery of the [Underlying] [Basket Component with the worst performance]. In the case of a settlement of the Products by physical delivery of the [Underlying] [Basket Component with the worst performance], it is to be noted that the equivalent value of the delivered [Underlyings] [Basket Components] is generally lower than the Denomination. This means that from a certain point the fixed coupon payment(s) may no longer be able to offset the negative performance of the [Underlying] [Basket Component with the</p>



		<p>worst performance] and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the equivalent value of the delivered [Underlyings] [Basket Components] plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the fixed coupon payment(s) – if the [Underlying] [Basket Component] is worthless at the end of the term.]</p>
		<p><i>[insert in the case of Discount Certificates with Cash Settlement (Product No. 10):</i></p> <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>In the case of Discount Certificates, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of the Underlying above the Cap Level, with the result that the possible yield on Discount Certificates has an upper limit.</p> <p><u>Risk of total loss</u></p> <p>Below the Cap Level, Discount Certificates are comparable with a direct investment in the Underlying (without taking into account dividend payments). In this case there is a risk of a total loss of the Holder's invested capital. A total loss will occur if the Underlying is worthless at the end of the term.]</p>
		<p><i>[insert in the case of Discount Certificates with potential Physical Settlement (Product No. 11):</i></p> <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>In the case of Discount Certificates, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of the Underlying above the Cap Level, with the result that the possible yield on Discount Certificates has an upper limit.</p> <p><u>Risk of total loss</u></p> <p>The Discount Certificates provide for a settlement by physical delivery of the Underlying, if the Final Fixing Level is equal to or below the Cap Level. In this case there is a risk of a total loss of the Holder's invested capital. A total loss will occur if the Underlying is worthless at the end of the term.]</p>
		<p><i>[insert in the case of Express Certificates with Cash Settlement and without par value (Product No. 12):</i></p> <p><u>Risk of [total] loss and risks related to early redemption</u></p> <p>The level of the Redemption Amount and the time for redemption</p>

		<p>of the Products depend on whether an Autocall Event has occurred on an Autocall Observation Date.</p> <p>If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the [Underlying][Basket Components] is irrelevant to the Holder.</p> <p>If there has been no early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the [Underlying][Basket Components]. [[If a [a [Target One Event][Lock-In Event] has not occurred, but a] Barrier Event has occurred][If the preconditions for a minimum redemption and/or maximum redemption are not met], the Products are comparable to a direct investment in the [Underlying][Basket Component with the worst performance] (without taking into account dividend payments). As a result, the Holder is also exposed to a risk of loss comparable to the direct investment. Therefore, the Holder bears a risk of total loss with regard to the invested capital. A total loss occurs if the [Underlying][Basket Component with the worst performance] is worthless at the end of the term.] [If the preconditions for a minimum redemption and/or maximum redemption are not met, the Holder receives [at least] the [Issue Price] [Reference Amount] multiplied by the Minimum Redemption Factor. In this case the Redemption Amount may be lower than the [Issue Price] [Reference Amount].]</p> <p>Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates. [The payment of the applicable Coupon Amount is independent of the price performance of the [Underlying][Basket Components.] [The amount of the Coupon Amount is dependent of the performance of the Reference Rate.] [The coupon payment [and/or the amount of the coupon payment] is conditional on the occurrence of a certain event in relation to the [Underlying][Basket Components] (e.g. reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no [and/or a lower] coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment. [It should be noted here that each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.] The volatility of the [Underlying][Basket Components] is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the [Underlying][Basket Components], the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.] [The amount of the [respective] coupon payment depends on</p>
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		<p>the development of the [Underlying] [Basket Components]. The coupon payment can be zero, if the price of the [Underlying] [Basket Components] is equal to or below the Initial Fixing Level on the respective Coupon Observation Date.]</p> <p>With regard to coupon payments, it should [also] be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p><u>[Redemption Amount is limited to the Maximum Redemption Amount]</u></p> <p>The Redemption Amount is limited to the Maximum Redemption Amount (without taking into account a possible Coupon Amount) which equals the [Issue Price] [Reference Amount] (Maximum Redemption Amount).]</p>
		<p><i>[insert in the case of Express Certificates and/or Express Notes with Cash Settlement and with par value (Product No. 13):</i></p> <p><u>Risk of [total] loss and risks related to early redemption</u></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred on an Autocall Observation Date.</p> <p>If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the [Underlying][Basket Components] is irrelevant to the Holder.</p> <p>[If there has been no early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the [Underlying][Basket Components] [taking into account a certain participation factor]. [If the preconditions for a minimum redemption and/or maximum redemption are not met, the Products are comparable to a direct investment in the [Underlying][Basket Component with the worst performance] (without taking into account dividend payments). As a result, the Holder is also exposed to a risk of loss comparable to the direct investment. Therefore, the Holder bears a risk of total loss with regard to the invested capital. A total loss occurs if the [Underlying][Basket Component with the worst performance] is worthless at the end of the term.] [In the case of a negative development of the [Underlying] [relevant Basket Component], the Holder is exposed to a risk of loss. Depending of the amount of the relevant participation factor the Redemption Amount can be close to zero (0).] [If the preconditions for a minimum redemption and/or maximum redemption are not met, the Holder receives the [Denomination][Issue Price] multiplied by the Minimum Redemption Factor. In this case the Redemption Amount may be lower than the [Denomination][Issue Price].] [If there has</p>

		<p>been no early redemption of the Products, the Holder receives the [Nominal] [Issue Price] multiplied by the Minimum Redemption Factor. This amount may be less than the [Nominal] [Issue Price].]</p> <p>Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates. [The payment of the applicable Coupon Amount is independent of the price performance of the [Underlying][Basket Components].] [The coupon payment is conditional on the occurrence of a certain event in relation to the [Underlying][Basket Components] (e.g. reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment.] [It should be noted here that each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.] The volatility of the [Underlying][Basket Components] is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the [Underlying][Basket Components], the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.]</p> <p>With regard to coupon payments, it should [also] be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p><u>[Redemption Amount is limited to the Maximum Redemption Amount]</u></p> <p>The Redemption Amount (without taking into account a possible Coupon Amount) is limited to the [Denomination][Issue Price] (Maximum Redemption Amount).]</p>
		<p><i>[insert in the case of Tracker Certificates with Cash Settlement (Product No. 14):</i></p> <p><u>Risk of total loss</u></p> <p>[Tracker Certificates linked to a single Underlying are comparable with a direct investment in the Underlying (irrespective of dividend payments). Consequently, the Holder is exposed to a risk of loss comparable to the direct investment. Therefore, there is a risk of total loss with regard to the invested capital if the Underlying is worthless at the end of the term.] [Tracker Certificates linked to a Basket as Underlying reflect the development of the Basket Components contained in the Underlying and the Products are comparable with a direct investment in the Basket Components (irrespective of dividend payments). Therefore, there is a risk of total loss with</p>

		<p>regard to the invested capital if all Basket Components are worthless at the end of the term.]</p> <p><u><i>[Risk factors in relation to the Management Fee</i></u></p> <p>A certain Management Fee is deducted from the Redemption Amount payable.</p> <p>It should be noted that a Management Fee not only reduces the Redemption Amount payable by the Issuer, but also reduces the value of the Products on the secondary market during their term. Such a Management Fee is incorporated in the calculation of the bid and ask prices for Products on the secondary market according to the portion of the term of the Products that has already expired.</p> <p>The Issuer may be entitled to adjust the level of the Management Fee during the term of the Products. In the case of a Management Fee greater than zero (0), the effect of the Management Fee will be greater, the longer the holding period in which it applies to the Products.]</p> <p><u><i>[Return and reinvestment risk in the case of ordinary or extraordinary termination by the Issuer</i></u></p> <p> Holders should note that the term of the Products may be ended prematurely by an ordinary or extraordinary termination by the Issuer. In the case of a termination, the Holder bears the risk that his expectations with respect to an increase in the value of the Products may no longer be satisfied due to the ending of the term. In the case of a termination, it must also be considered that the Holder bears the reinvestment risk. This means that he or she may only be able to reinvest the amount paid by the Issuer in the event of a termination on more unfavourable market terms compared with those existing when the Product was purchased.]]</p>
		<p><i>[insert in the case of Open End Tracker Certificates with Cash Settlement (Product No. 15):</i></p> <p><u><i>Risk factors related to the unlimited term of the Products and/or to the Issuer's ability to terminate</i></u></p> <p>The Products do not have a specified limited term (Open End). The term of the Products ends either (i) on the exercise of the Products by the Holders or (ii) on ordinary termination by the Issuer or (iii) on extraordinary termination by the Issuer.</p> <p>The Products may be exercised by the Holder on certain dates during their term by submitting an Exercise Notice. The Redemption Amount for exercised Products is calculated based on the Final Fixing Level of the Underlying on the relevant exercise date.</p> <p>The Products may be terminated on notice by the Issuer by way of ordinary termination in accordance with the Conditions. It is to be noted that the Issuer has no further obligations in relation to the exercise of its termination right.</p>

		<p>The Issuer is furthermore entitled to extraordinary termination of the Products by notice if an adjustment is no longer possible or in the case of an Additional Termination Event. It is to be noted that the Issuer exercises its termination right at its reasonable discretion and has no further obligations in relation to its termination right. The exercise of the right to extraordinary termination may occur at short notice, so that, in certain circumstances, the Holder may no longer be able to sell his or her Product on the secondary market.</p> <p>The exercise of the termination right by the Issuer is generally more likely, the greater the volatility of the Underlying or the more illiquid the market in financial instruments related to the Underlying (including the forward and loan markets). Owing to the Issuer's termination right, Holders may not assume that the Products will have an unlimited term. Holders should therefore not rely on being able to maintain a position in the Products over a long period. Furthermore, Holders may not rely on the timely movement of the Underlying in a favourable direction before a Termination Date.</p> <p><u><i>Return and reinvestment risk in the case of ordinary or extraordinary termination by the Issuer</i></u></p> <p>Holders should note that the unlimited term of the Products may be ended by an ordinary or extraordinary termination by the Issuer. In the case of a termination, the Holder bears the risk that his expectations with respect to an increase in the value of the Products may no longer be satisfied due to the ending of the term. In the case of a termination, it must also be considered that the Holder bears the reinvestment risk. This means that he or she may only be able to reinvest the amount paid by the Issuer in the event of a termination on more unfavourable market terms compared with those existing when the Product was purchased.</p> <p><u><i>Risk of total loss</i></u></p> <p>Open End Tracker Certificates are comparable with a direct investment in the Underlying (irrespective of dividend payments). Consequently, the Holder is exposed to a risk of loss comparable to the direct investment. Therefore, there is a risk of total loss with regard to the invested capital if the Underlying is worthless at the end of the term</p> <p><u><i>[Risk factors in relation to the Management Fee</i></u></p> <p>A certain Management Fee is deducted from the Redemption Amount payable.</p> <p>It should be noted that a Management Fee not only reduces the Redemption Amount payable by the Issuer, but also reduces the value of the Products on the secondary market during their term. Such a Management Fee is incorporated in the calculation of the bid and ask prices for Products on the secondary market according to the portion of the term of the Products that has already expired.</p> <p>The Issuer may be entitled to adjust the level of the Management</p>
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	<p>Fee during the term of the Products. In the case of a Management Fee greater than zero (0), the effect of the Management Fee will be greater, the longer the holding period in which it applies to the Products.]]</p>
	<p><i>[insert in the case of Express Certificates with potential Physical Settlement and with par value (Product No. 16):</i></p> <p><u><i>Risk of total loss and risks related to early redemption</i></u></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred on an Autocall Observation Date.</p> <p>If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the [Underlying][Basket Components] is irrelevant to the Holder.</p> <p>If there has been no early redemption of the Products, the level of the Redemption Amount and/or the type of settlement (cash settlement or physical delivery) is dependent on the price performance of the [Underlying][Basket Components].</p> <p>If [(i) a Barrier Event has occurred [and (ii) the Final Fixing Level is equal to or below the [Initial Fixing Level][Strike Level]]] [the Final Fixing Level is equal to or below the Strike Level], the Products provide for a physical delivery of the [Underlying][Basket Component with the worst performance]. In the case of a settlement of the Products by physical delivery of the [Underlying][Basket Component with the worst performance], it is to be noted that the equivalent value of the delivered [Underlyings][Basket Components] is generally lower than the Denomination. This means that from a certain point the potential coupon payment(s) may no longer be able to offset the negative performance of the [Underlying][Basket Component with the worst performance] and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the equivalent value of the delivered [Underlyings][Basket Components] plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the potential coupon payment(s) – if the [Underlying][Basket Component] is worthless at the end of the term.</p> <p>Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates. [The payment of the applicable Coupon Amount is independent of the price performance of the [Underlying][Basket Components].] [The coupon payment is conditional on the occurrence of a certain event in relation to the [Underlying][Basket Components] (e.g. reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the</p>

		<p>applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment.] [Each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.] The volatility of the [Underlying][Basket Components] is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the [Underlying][Basket Components], the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.]</p> <p>With regard to coupon payments, it should [also] be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>The Redemption Amount is limited to the Maximum Redemption Amount (without taking into account a possible Coupon Amount) which equals the Denomination.]</p>
		<p><i>[insert in the case of Express Certificates with potential Physical Settlement and without par value (Product No. 17):</i></p> <p><u>Risk of total loss and risks related to early redemption</u></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred on an Autocall Observation Date.</p> <p>If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the [Underlying][Basket Components] is irrelevant to the Holder.</p> <p>If there has been no early redemption of the Products, the level of the Redemption Amount and/or the type of settlement (cash settlement or physical delivery) is dependent on the price performance of the [Underlying][Basket Component].</p> <p>If [(i) a Barrier Event has occurred [and (ii) the Final Fixing Level is equal to or below the [Initial Fixing Level][Strike Level]]] [the Final Fixing Level is equal to or below the Strike Level] the Products provide for a physical delivery of the [Underlying][Basket Component with the worst performance]. In the case of a settlement of the Products by physical delivery of the [Underlying][Basket Component with the worst performance], it is to be noted that the equivalent value of the delivered [Underly-</p>



		<p>ings][Basket Components] is generally lower than the Denomination. This means that from a certain point the potential coupon payment(s) may no longer be able to offset the negative performance of the [Underlying][Basket Component with the worst performance] and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the equivalent value of the delivered [Underlyings][Basket Components] plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the potential coupon payment(s) – if the [Underlying][Basket Component] is worthless at the end of the term.</p> <p>Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates. [The payment of the applicable Coupon Amount is independent of the price performance of the [Underlying][Basket Components].] [The coupon payment is conditional on the occurrence of a certain event in relation to the [Underlying][Basket Components] (e.g. reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment.] [Each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.] The volatility of the [Underlying][Basket Component] is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the [Underlying][Basket Component], the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.]</p> <p>With regard to coupon payments, it should [also] be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>The Redemption Amount is limited to the Maximum Redemption Amount (without taking into account a possible Coupon Amount) which equals the Issue Price.]</p>
		<p>[insert in the case of Inverse Discount Certificates with Cash Settlement (Product No. 18):</p> <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>In the case of Inverse Discount Certificates, the Redemption</p>

		<p>Amount will not exceed the Maximum Redemption Amount, with the result that the possible yield on Inverse Discount Certificates has an upper limit.</p> <p><u>Risk of total loss</u></p> <p>Investors should note that they bear the risk of an unfavourable performance of the Underlying, i.e. an increase of the Underlying. In this scenario the investor may incur losses. In the worst case, the investor may suffer a total loss of the invested capital including related transaction costs, which arises if the Final Fixing Level is at or above the Inverse Level.]</p>
		<p>[insert in the case of Master Discount Certificates with Cash Settlement (Product No. 19):</p> <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>In the case of Master Discount Certificates, the Redemption Amount will not exceed the Maximum Redemption Amount, with the result that the possible yield on Master Discount Certificates has an upper limit.</p> <p><u>Risk of total loss</u></p> <p>Investors should note that the investment in the Product is comparable with a direct investment in the respective Underlying and thus in the Basket Components underlying the Product (without taking into account possible dividend payments). If a Basket Component becomes worthless, the investor suffers a loss in the amount of the Basket Component taking into account the number of each Basket Component. Since the Basket Components and the <b>applicable Cap Levels</b> are considered individually, such a loss may not be compensated by the performance of the other Basket Components. If all Basket Components become worthless, the investor is consequently exposed to the risk of <b>total loss</b> of the invested capital including related transaction costs. <b>It should also be noted that the Cap Level may be below the Initial Fixing Level. In this case there is no possibility of the investor participating in an increase in value of the Basket Component.]</b></p>
		<p>[insert in the case of Express Certificates with Cash Settlement and with par value and/or issue price and unconditional minimum redemption (Product No. 20):</p> <p><u>Risk factors related to the early redemption and the unconditional minimum redemption</u></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred on an Autocall Observation Date.</p> <p>If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accord-</p>

		<p>ance with the Conditions. In the case of such early redemption, the future price performance of the Underlying is irrelevant to the Holder.</p> <p>[If an early redemption of the Products has not occurred, the amount of the redemption is dependent on the Performance of the [Basket Components] [Underlying]. If the Final Fixing Level[s] of [all Basket Components] [the Underlying] [are] [is] at or above the Autocall Trigger Level, the Holder receives the [Denomination][Issue Price]. If this is not the case, the Holder receives the pre-determined Minimum Redemption Amount, which is independent of the performance of the [Basket Components] [Underlying].][If an early redemption of the Products has not occurred, the Redemption Amount equals the Minimum Redemption Amount.]</p> <p><b>Investors should note that the Minimum Redemption Amount may be lower than the [Denomination][Issue Price] and/or the capital invested to purchase the Product (including the related transaction costs).</b></p> <p>Investors should also note that the Minimum Redemption Amount may apply only in the case of a redemption at the end of the term. Investors must be prepared to hold their Product until the Redemption Date. Investors will still be exposed to the credit risk of the Issuer meaning that they may lose their entire capital invested to purchase the Products (including related transaction costs) should the Issuer become insolvent.</p> <p>In the case of these Products, the payment of the Coupon Amount is dependent on the occurrence of a Coupon Trigger Event, i.e. whether the Reference Price[s] of [all Basket Components] [the Underlying] on a Coupon Observation Date reach[es] or exceed[s] the relevant Coupon Trigger Level for this date. If a Coupon Trigger Event does not occur on any Coupon Observation Date, the investor does not receive a Coupon Payment. In the case of an Early Redemption, the investor is not entitled to demand any further Coupon Payments for future Coupon Payment Dates.</p> <p><u>[Redemption Amount is limited to the Maximum Redemption Amount]</u></p> <p>The Redemption Amount is limited to the Maximum Redemption Amount (without taking into account possible Coupon Amounts) which equals the [Denomination][Issue Price].]</p>
		<p><i>[insert in the case of Express Certificates with Cash Settlement and with par value and with Downside Participation Factor (Product No. 21):</i></p> <p><u>Risk of total loss</u></p> <p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred on an Autocall Observation Date.</p> <p>If this event occurs before the Final Fixing Date, the term of the</p>

	<p>Products ends early and the Products are redeemed early in accordance with the provisions of the Conditions. In the case of such early redemption, the future price performance of the Basket Components is irrelevant to the Holder.</p> <p>If there has been no early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the Basket Components. If the preconditions for redemption at the Maximum Redemption Amount are not met, <b>the Holder participates on the basis of the Downside Participation Factor disproportionately in the loss in value of the Basket Component with the worst performance, so that as a result the Holder is exposed to a risk of loss greater than a direct investment.</b> Therefore, the Holder bears a risk of total loss with regard to the invested capital. Even if the Basket Component with the worst performance is greater than zero (0) at the end of the term, a total loss may still occur if the Downside Participation in the loss in value of the Basket Component with the worst performance leads to the Product being worthless.</p> <p>Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates. [The payment of the applicable Coupon Amount is independent of the price performance of the Basket Components.] [The coupon payment is conditional on the occurrence of a certain event in relation to the Basket Components (e.g. reaching or exceeding a certain threshold on a specified date). Should such event not occur, there will be no coupon payment for the applicable Coupon Payment Date. Holders should note that, in the case of a coupon payment which is dependent on the Underlying, they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment.] [Each relevant date is considered separately and there are no catch-up payments of the Coupon Amount.] The volatility of the Basket Components is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the Basket Components, the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.]</p> <p>With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p><u><i>Redemption Amount is limited to the Maximum Redemption Amount</i></u></p> <p>The Redemption Amount will not exceed the Denomination (Maximum Redemption Amount), with the result that the possible yield has an upper limit.]</p>
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		<p><i>[insert in the case of Certificates with Cash Settlement and with par value and with unconditional minimum redemption and Partial Redemption Amounts (Product No. 22):</i></p> <p> Holders should note that the level of the Redemption Amount is limited to the Minimum Redemption Amount, which simultaneously equals the Maximum Redemption Amount. In contrast to a direct investment in the Basket Components, the investor does not participate in the positive performance of the Basket Components.</p> <p><b>The Minimum Redemption Amount may be lower than the Denomination or the capital invested for the purchase of the Product (including related transaction costs).</b></p> <p>The Minimum Redemption Amount is applicable only in the case of a redemption at the end of the term. Investors must be prepared to hold their Product until the Redemption Date. If (i) an investor sells the Product before the Redemption Date on the secondary market or (ii) the Products are redeemed before the end of the term or (iii) a Market Disruption Event lasting several Scheduled Trading Days has occurred pursuant to the terms and conditions of the Product, such a Minimum Redemption does not occur. <b>In such a case the investor bears the risk of a total loss of the capital invested (including related transaction costs).</b> Furthermore, investors [also] remain exposed to the credit risk of the Issuer, so they may lose all of the capital invested for the purchase of the Products (including related transaction costs) on an insolvency of the Issuer. <b>For this reason among others, Products with an unconditional Minimum Redemption may be traded throughout their term at a price that is below the Minimum Redemption Amount. Investors should therefore not rely on being able to sell their purchased Products at any time during their term for at least the Minimum Redemption Amount.</b></p> <p>Furthermore, the Certificates have the characteristic such that the payment and the level of a Coupon Amount depend on whether and at what time a Coupon Trigger Event has occurred. If by the final Coupon Observation Date (inclusive) no Coupon Trigger Event has occurred, the investor does not receive a coupon payment throughout the entire term of the Product.</p> <p>The volatility of the Basket Components is an important factor for determining the likelihood of the occurrence of a Coupon Trigger Event. The higher the volatility of Basket Components, the higher the risk to the investor that no Coupon Trigger Event occurs and therefore there is no coupon payment.</p> <p>If a Coupon Trigger Event has not occurred on a Coupon Observation Date, the investor only receives the Minimum Redemption Amount. The investor suffers a loss if the Minimum Redemption Amount is less than the capital invested (including related transaction costs) for the purchase of the Products.]</p>
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		<p><i>[insert in the case of Certificates with Cash Settlement and with unconditional minimum redemption (Product No. 23):</i></p> <p>[The level of the Redemption Amount at the end of the term depends on the price performance of the [Underlying][[worst][best] performing Basket Component], since the investor receives on the Redemption Date a cash payment specified at issuance, the level of which depends on the performance of the [Underlying][[worst][best] performing Basket Component]. The investor receives at least the Minimum Redemption Amount.] [The Redemption Amount at the end of the term of the Product equals the Minimum Redemption Amount.] <b>[The Minimum Redemption Amount may be lower than the [Denomination] [Issue Price] or the capital invested for the purchase of the Product (including related transaction costs).]</b></p> <p>The Minimum Redemption Amount is applicable only in the case of a redemption at the end of the term. Investors must be prepared to hold their Product until the Redemption Date. If (i) an investor sells the Product before the Redemption Date on the secondary market or (ii) the Products are redeemed before the end of the term or (iii) a Market Disruption Event lasting several Scheduled Trading Days has occurred pursuant to the terms and conditions of the Product, such a Minimum Redemption does not occur. <b>In such a case the investor bears the risk of a total loss of the capital invested, including related transaction costs.</b> Furthermore, investors remain exposed to the credit risk of the Issuer, so they may lose all of the capital invested for the purchase of the Products (including related transaction costs) on an insolvency of the Issuer. <b>For this reason among others, Products with an unconditional Minimum Redemption may be traded throughout their term at a price that is below the Minimum Redemption Amount. Investors should therefore not rely on being able to sell the purchased Products at any time during their term for at least the Minimum Redemption Amount.</b></p> <p>[The Redemption Amount is limited to the [Denomination][Issue Price] multiplied by the Maximum Redemption Factor [taking also into account the performance of the relevant exchange rate].]</p> <p>[The Holder receives a coupon payment on the respective Coupon Payment Date in the case that a Coupon Trigger Event has occurred on the relevant Coupon Observation Date. In the case that no Coupon Trigger Event has occurred on the relevant Coupon Observation Date no coupon payment will be made on the corresponding Coupon Payment Date.]]</p>
		<p><i>[insert in the case of Capped Certificates with Cash Settlement and with unconditional minimum redemption (Product No. 24):</i></p> <p>The Products are redeemed at the end of the term for at least the amount specified in advance. <b>The Minimum Redemption Amount may be lower than the [Denomination][Issue Price] or</b></p>

		<p><b>the capital invested for the purchase of the Product (including related transaction costs).</b> Furthermore, investors remain exposed to the credit risk of the Issuer, so they may lose all of the capital invested for the purchase of the Products (including related transaction costs) on an insolvency of the Issuer.</p> <p>The Minimum Redemption Amount is applicable only in the case of a redemption at the end of the term. The investors must be prepared to hold their Product until the Redemption Date. If (i) an investor sells the Product before the Redemption Date on the secondary market or (ii) the Products are redeemed before the end of the term or (iii) a Market Disruption Event lasting several Scheduled Trading Days has occurred pursuant to the terms and conditions of the Product, such a Minimum Redemption does not occur. <b>In such a case the investor bears the risk of a total loss of the capital invested, including related transaction costs.</b></p> <p><b>For this reason among others, Products with an unconditional Minimum Redemption may be traded throughout their term at a price that is below the Minimum Redemption Amount. Investors should therefore not rely on being able to sell the purchased Products at any time during their term for at least the Minimum Redemption Amount.</b></p> <p><i>Risk Factors applicable to the Participation Factor</i></p> <p>Investors should note that the application of a Participation Factor means that the Products are economically similar to a direct investment in the Underlying, although they are not totally comparable with such an investment because the Holders do not participate in the respective price performance of the Underlying in the ratio of 1:1, but to the extent of a certain factor. Depending on the structure of the Products a Participation Factor may have the effect that the investor participates to a [greater][lesser] extent in any changes in value of the Underlying, subject to the value effects of any other product characteristics.</p> <p><i>Redemption Amount is limited to Maximum Redemption Amount</i></p> <p>The Redemption Amount is limited to the Maximum Redemption Amount, so the possible yield has an upper limit. <b>Investors do not participate in an increase in value of the [Underlying][Basket Component with the worst performance] above the Cap Level.</b></p>
		<p><i>[insert in the case of Inverse Bonus Certificates with Cash Settlement (Product No. 25):</i></p> <p><i>Risks related to the performance of Inverse Bonus Certificates owing to the reverse structure</i></p> <p>In the case of Inverse Bonus Certificates, the performance of the Products conversely depends on the performance of the [Underlying][Basket Component with the [worst][best] performance]. This means that the Products enable the Holders to profit from a loss in value of the [Underlying][Basket Component with the [worst][best]</p>

		<p>performance]. An Inverse Bonus Certificate typically declines in value (i.e. irrespective of other features and factors that determine the price of Products), if the value of the [Underlying] ][Basket Component with the [worst][best] performance] increases.</p> <p><u><i>Risk of a total loss in the case of a Barrier Event</i></u></p> <p> Holders should consider that if a Barrier Event occurs, the entitlement to a minimum redemption expires and the Holder bears 1:1 a risk of loss if the value of the [Underlying] [Basket Component with the [worst][best] performance] increases. In this case, the Holder has a risk of total loss with regard to the invested capital. A total loss occurs when the [Underlying][Basket Component with the [worst][best] performance] is equal to or above the Cap Level at the end of the term.</p> <p><u><i>Limited yield potential due to reverse structure and irrespective of a cap</i></u></p> <p> Holders should note that the yield potential is limited (regardless of a cap) due to the reverse structure, i.e. in the case of Inverse Bonus Certificates the Settlement Amount is limited to the product of (i) the Issue Price and (ii) the quotient of the Cap Level minus the Final Fixing Level [of the Basket Component with the [worst][best] performance] and the Initial Fixing Level [of the Basket Component with the [worst][best] performance].]</p>
		<p><i>[insert in the case of Capped Inverse Bonus Certificates with Cash Settlement (Product No. 26):</i></p> <p><u><i>Risks related to the performance of Capped Inverse Bonus Certificates due to the reverse structure</i></u></p> <p>In the case of Capped Inverse Bonus Certificates, the performance of the Products reversely depends on the performance of [the Underlying] [the Basket Component with the [worst][best] performance]. This means that the Products enable the Holders to profit from a loss in value of [the Underlying] [the Basket Component with the [worst][best] performance] up to the Bonus Level. Accordingly, a Capped Inverse Bonus Certificate typically declines in value (i.e. irrespective of other features and factors that determine the price of Products), if the value of [the Underlying] [the Basket Component with the [worst][best] performance] increases.</p> <p><u><i>Risk of a total loss in the case of a Barrier Event</i></u></p> <p> Holders should note that if a Barrier Event occurs, the entitlement to a minimum redemption expires and the Holder bears 1:1 a risk of loss if the value of [the Underlying] [the Basket Component with the [worst][best] performance] increases. In this case, the Holder has a risk of total loss with regard to the invested capital. A total loss occurs when [the Underlying] [the Basket Component with the [worst][best] performance] is equal to or above the Cap Level at the end of the term.</p>



		<p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>In the case of Capped Inverse Bonus Certificates, the Redemption Amount will not exceed the [Initial Fixing Level] [of the Basket Component with the [worst][best] performance] [Issue Price] multiplied by the Bonus Level. This amount is the maximum amount an investor may receive.]</p>
		<p>[insert in the case of Mini Future Certificates with Cash Settlement (Product No. 27):</p> <p><u>Risk of a total loss in the case of the occurrence of a Stop-Loss Event</u></p> <p> Holders in Mini Future Certificates bear the risk that the Products expire worthless during their term, if a so-called Stop-Loss Event has occurred. If a Stop-Loss Event occurs, the term of the Products ends automatically and the Products are repaid at an amount which is equal to the difference between [insert in the case of Mini Future Long Certificates: the Stop-Loss Price and the [Current] Strike Level] [insert in the case of Mini Future Short Certificates: the [Current] Strike Level and the Stop-Loss Price] taking into account the Conversion Ratio. It must also be considered that the Holders may suffer a total loss of the invested capital, if the Issuer should not succeed in cancelling the hedge position for a Stop-Loss Price [insert in the case of Mini Future Long Certificates: above] [insert in the case of Mini Future Short Certificates: below] the [Current] Strike Level.</p> <p> Holders should note that the price of the Products is reduced disproportionately compared to classical warrants, if the price of the Underlying approaches the Stop-Loss Level.</p> <p><u>Risk due to the leverage effect</u></p> <p>Due to the leverage effect the Products involve disproportionate risks of loss compared to a direct investment in the Underlying.]</p>
		<p>[insert in the case of Inverse Express Certificates with Cash Settlement (Product No. 28):</p> <p><u>Risks related to the performance of Inverse Express Certificates due to the reverse structure</u></p> <p>In the case of Inverse Express Certificates, the performance of the Products reversely depends on the performance of the [Underlying][Basket Components]. This means that the Products enable the Holders to profit from a loss in value of the [Underlying][Basket Components]. Accordingly, an Inverse Express Certificate typically declines in value (i.e. irrespective of other features and factors that determine the price of Products), if the value of the [Underlying][Basket Components] increases.</p> <p><u>Risk of total loss and risks related to early redemption</u></p>

		<p>The level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred on an Autocall Observation Date.</p> <p>If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the [Underlying][Basket Components] is irrelevant to the Holder.</p> <p>If there has been no early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the [Underlying][Basket Components]. Holders should note that if a Barrier Event occurs, the entitlement to a minimum redemption expires and the Holder bears a risk of loss if the value of the [Underlying][Basket Components] increases. In this case, the Holder has a risk of total loss with regard to the invested capital. A total loss occurs when the Performance of the [Underlying][Basket Component with the [worst][best] performance] is equal to or above 200 % at the end of the term.</p> <p>Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates. [The payment of the applicable Coupon Amount is independent of the price performance of the [Underlying][Basket Components].] [The coupon payment is conditional on the occurrence of a certain event in relation to the [Underlying][Basket Components] (e.g. reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment.] [It should be noted here that each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts.] The volatility of the [Underlying][Basket Components] is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the [Underlying][Basket Components], the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.]</p> <p>With regard to coupon payments, it should [also] be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.</p> <p><u>Redemption Amount is limited to the Maximum Redemption Amount</u></p> <p>The Redemption Amount (without taking into account a possible</p>
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		Coupon Amount) is limited to the [Issue Price] [Redemption Amount] (Maximum Redemption Amount).]
		<p>[insert in the case of Warrants with Cash Settlement (Product No. 29):</p> <p><u>Risk of a total loss</u></p> <p>There is a risk of a total loss of the Holder's invested capital. A total loss will occur if the [Final Fixing Level [of the worst performing Basket Component]] [Final Basket Value] [performance of the Underlying] [performance of the worst performing Basket Component] [performance of the Basket] is equal to or below the [Initial Fixing Level] [Strike Level] (in the case of Call Warrants) or equal to or above the [Initial Fixing Level] [Strike Level] (in the case of Put Warrants).</p> <p>[insert in the case of Warrants that provide for a maximum redemption amount:</p> <p><u>Redemption Amount is limited to Maximum Redemption Amount</u></p> <p>The Redemption Amount will not exceed the Maximum Redemption Amount, with the result that the possible yield on the Warrants has an upper limit.]</p> <p><u>Risk due to the leverage effect</u></p> <p>Due to the leverage effect the Products involve disproportionate risks of loss compared to a direct investment in the [Underlying] [[relevant] Basket Component].]</p>
		<p>[insert in the case of Participation Certificates (Product No. 30):</p> <p><u>[Risk of a total loss in the case of the occurrence of a Barrier Event</u></p> <p>Holder's should note that if a Barrier Event has occurred the Participation Certificate is comparable to a direct investment in the [Underlying] [[worst][best] performing Basket Component] [Basket] (without taking into account dividend payments). As a result the Holder is exposed to a risk of loss comparable to the direct investment. Therefore, the Holder bears a risk of total loss with regard to the invested capital. A total loss occurs if the [Underlying] [[worst][best] performing Basket Component] [Basket] is worthless at the end of the term.]</p> <p><u>[Risk of loss</u></p> <p>The level of the Redemption Amount at the end of the term depends on the performance of the [Underlying] [[worst][best] performing Basket Component] [Basket] (without taking into account dividend payments). In the case that the performance of the [Underlying] [[worst][best] performing Basket Component] [Basket] is negative <b>the Redemption Amount may be lower than the [Denomination][Issue Price] or the capital invested for the purchase of the Product (including related transaction costs).</b> [In the case of a negative development of the [Underlying] [relevant</p>

		<p>Basket Component] [Basket], the Holder is exposed to a risk of loss. Depending of the amount of the relevant participation factor the Redemption Amount can be close to zero (0).]</p> <p><u><i>[Redemption Amount limited to a Maximum Redemption Amount</i></u></p> <p>The Redemption Amount will not exceed the Maximum Redemption Amount irrespective of whether or not a Barrier Event has occurred. This means that the Holder does not participate in a price movement of the [Underlying] [[worst][best] performing Basket Component] [Basket] above the Cap Level, with the result that the possible yield has an upper limit.]</p> <p><u><i>[Risk of a total loss</i></u></p> <p>The level of the Redemption Amount at the end of the term depends on the performance of the Basket Components. The Redemption Amount is determined on the basis of the performances of all Basket Components whereby the performance of the best performing Basket Component is multiplied by the highest Participation Factor, the performance of the second highest performing Basket Component is multiplied by the second highest Participation Factor and the performance of the worst performing Basket Component is multiplied by the lowest Participation Factor. Due to the application of the Participation Factor the investor will not participate 1:1 in the performance of the respective Basket Component, but only in the amount of the relevant Participation Factor. The investor will suffer a total loss of the capital invested in the case that the performances of all Basket Components is zero (0).]</p>
		<p><i>[insert in the case of Spread Certificates with Cash Settlement (Product No. 31):</i></p> <p><u><i>Risk of a total loss in the case of the occurrence of a Stop-Loss Event</i></u></p> <p>Holders in Spread Certificates bear the risk that the Products expire worthless during their term, if a so-called Stop-Loss Event has occurred. If a Stop-Loss Event occurs, the term of the Products ends automatically and the Products are repaid at the Stop-Loss Redemption Amount that is determined by the Calculation Agent in its reasonable discretion on the basis of the price of the Product. The Stop-Loss Redemption Amount may be zero.</p> <p><u><i>Risk factors in relation to the Management Fee</i></u></p> <p>A certain Management Fee is deducted from the Redemption Amount payable. It should be noted that a Management Fee not only reduces the Redemption Amount payable by the Issuer, but also reduces the value of the Products on the secondary market during their term. Such a Management Fee is incorporated in the calculation of the bid and ask prices for Products on the secondary market according to the portion of the term of the Products that has already expired. In the case of a Management Fee greater than zero (0), the effect of the Management Fee will be greater, the longer</p>

		<p>the holding period in which it applies to the Products.</p> <p><u><i>Risk Factors in relation to the Adjustment Factor</i></u></p> <p>A certain Adjustment Factor is applied in order to calculate the Redemption Amount. Due to the application of the Adjustment Factor the Holder does not participate 1:1 in the difference between the performance of Basket Component 1 and Basket Component 2, but by the proportion of the Adjustment Factor.]</p>
		<p><i>[insert in the case of Short Participation Certificates with Cash Settlement and with unconditional minimum redemption (Product No. 32):</i></p> <p><u><i>Risk Factors applicable to the unconditional Minimum Redemption</i></u></p> <p>The Products are redeemed at the end of the term for at least the amount specified in advance. <b>The Minimum Redemption Amount may be lower than the [Denomination][Issue Price] or the capital invested for the purchase of the Product (including related transaction costs).</b> Furthermore, investors remain exposed to the credit risk of the Issuer, so they may lose all of the capital invested for the purchase of the Products (including related transaction costs) on an insolvency of the Issuer.</p> <p>The Minimum Redemption Amount is applicable only in the case of a redemption at the end of the term. The investors must be prepared to hold their Product until the Redemption Date. If (i) an investor sells the Product before the Redemption Date on the secondary market or (ii) the Products are redeemed before the end of the term or (iii) a Market Disruption Event lasting several Scheduled Trading Days has occurred pursuant to the terms and conditions of the Product, such a Minimum Redemption does not occur. <b>In such a case the investor bears the risk of a total loss of the capital invested, including related transaction costs.</b></p> <p><b>For this reason among others, Products with an unconditional Minimum Redemption may be traded throughout their term at a price that is below the Minimum Redemption Amount. Investors should therefore not rely on being able to sell the purchased Products at any time during their term for at least the Minimum Redemption Amount.</b></p> <p><u><i>Risk Factors applicable to the Participation Factor</i></u></p> <p>Investors should note that the application of a Participation Factor means that the Products are economically similar to a direct investment in the negative performance of the [Underlying] [[worst][best] performing Basket Component], although they are not totally comparable with such an investment because the Holders do not participate in the respective negative price performance of the Underlying in the ratio of 1:1, but to the extent of a certain factor. Depending on the structure of the Products a Participation Factor may have the effect that the investor participates to a [greater][lesser] extent in any changes in value of the [Underly-</p>

		<p>ing][relevant Basket Component], subject to the value effects of any other product characteristics.</p> <p><i>[Redemption Amount is limited to Maximum Redemption Amount</i></p> <p>The Redemption Amount is limited to the Maximum Redemption Amount, so the possible yield has an upper limit. <b>Accordingly, investors do not continue to participate in the negative price performance of the [Underlying] [[worst][best] performing Basket Component] below a certain threshold.]]</b></p>
		<p><i>[insert in the case of Knock-Out Warrants (Product No. 33):</i></p> <p><u><i>Risk of loss</i></u></p> <p>There is a risk of a total loss of the Holder's invested capital. A total loss will occur if the [Final Fixing Level [of the [worst] [best] performing Basket Component]] [Final Basket Value] is equal to [or below] [or above] the [relevant] Strike Level. [A total loss will also occur in the case that a Knock-Out Event has occurred.] [The investor will also suffer significant losses in the case that a Knock-Out Event has occurred; in this case the investor will only receive the [Denomination][Issue Price] multiplied by the Rebate.]</p> <p><i>Factors affecting the price during the term of the Knock-Out Warrants</i></p> <p>The price of the Knock-Out Warrants during the term depends in particular on the price of the [Underlying] [relevant Basket Components] [Basket] during the term. Generally, the price of the Knock-Out Warrants falls when the price of the [Underlying] [relevant Basket Components] [Basket] [falls] [rises]. A [decrease] [increase] typically has a disproportionately great effect on the price of the Knock-Out Warrants. There are additional factors, such as volatility or interest rate levels that may also have an impact on the price of the Knock-Out Warrant.</p> <p><u><i>Risk due to the leverage effect</i></u></p> <p>Due to the leverage effect the Products involve disproportionate risks of loss compared to a direct investment in the [Underlying] [[relevant] Basket Components][Basket].]</p>
		<p><i>[insert in the case of Dual Currency Notes (Product No. 34):</i></p> <p><u><i>Risk of loss</i></u></p> <p>In the case of Dual Currency Notes, the Redemption Amount at the end of the term is either an amount in the Settlement Currency determined on the basis of the Denomination in the Settlement Currency or an amount in the Alternative Currency determined on the basis of the Denomination that is converted into the Alternative Currency. Therefore, Holders are exposed to the risk of changes in the relevant currency exchange rate which may affect the yield of such Dual Currency Notes.</p> <p> Holders may suffer a loss. The potential loss equals the difference</p>

		<p>between the capital invested to purchase the Product (including transaction costs incurred) and the Redemption Amount. Furthermore, the Holder remains exposed to the risks of the Issuer, so the investor may lose all the capital invested to purchase the Products (including transaction costs incurred) on an insolvency of the Issuer. For this reason among others, Dual Currency Notes may be traded during their term at a price below the Denomination in the Settlement Currency. Holders may therefore not rely on being able to sell their Products at any time during the term at a price equal to or above the Denomination in the Settlement Currency.]</p>
		<p>[insert in the case of Stability Notes (Product No. 35):</p> <p><u>Risk of total loss and risks related to early redemption</u></p> <p>In the case of Stability Notes it should be noted that the level of the Redemption Amount and the time for redemption of the Products depend on whether a Gap Event has occurred.</p> <p>If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the Underlying is irrelevant to the Holder.</p> <p>The Holder may suffer a total loss of the capital invested. A total loss will occur in the case that a Gap Event occurs and the Gap is equal to or below the Gap Level. The Holder may also suffer a loss in the case that a Gap Event occurs and the Gap is below the Strike Level. In this scenario the Redemption Amount is below the [Denomination][Issue Price].</p> <p>Provided that no Gap Event has occurred, the Holder receives a Coupon Amount on the relevant Coupon Payment Date(s) that is determined on the basis of the Coupon Rate and the [Denomination][Issue Price]. The coupon payment is independent of the performance of the Underlying. In the case that a Gap Event has occurred the Holder will not receive any accrued coupon payments on the date on the Early Redemption Date.</p> <p><u>Redemption Amount is limited to the [Denomination][Issue Price]</u></p> <p>The potential Redemption Amount under the Products will not exceed the [Denomination][Issue Price] (plus the coupon payment(s) provided that no early redemption has occurred).</p> <p><u>Risk due to the leverage effect</u></p> <p>In the case that a Gap Event has occurred and the Gap is above the Gap Level the Redemption Amount is determined on the basis of the difference between the Strike Level and the Gap taking into account the Leverage. In this case the Product involves disproportionate risks of loss compared to a direct investment in the Underlying due to the consideration of the Leverage.]</p>
		<p><b>3. Risk factors associated with certain types of Underlyings</b></p>

		<p>Depending on the Underlying(s) to which the Products give exposure, Holders are exposed to further risks stemming from the type of Underlying and the behaviour of its market prices as the Redemption Amount and/or the Coupon Amount a Holder may receive depends on the development of the price of the Underlying. In the case of an unfavourable performance of the Underlying the investor may suffer losses up to a total loss of the invested capital (incl. transaction costs). The types of Underlyings provided for in the Base Prospectus differ significantly in terms of their typical price volatility. Holders should only invest in Products if they are familiar with the relevant Underlying and have a comprehensive understanding of the type of Underlying itself, the market and other rules of the relevant Underlying.</p>
		<p><b><u>4. Risk factors associated with conflicts of interest</u></b></p> <p><i><u>Conflicts of interest related to the underlying</u></i></p> <p>The Issuer and other companies in the Group deal in the underlyings or in components of the underlying or in options or futures contracts relating to the underlyings or components thereof in their normal course of business and from time to time may participate in transactions connected to the Products for their own account or on behalf of others. The Issuer and other companies in the Group can also hold interests in individual underlyings or in the companies contained in these underlyings, meaning that conflicts of interest can arise in connection with the Products.</p> <p><i><u>Conflicts of interest related to the performance of another function</u></i></p> <p>Furthermore, the Issuer and other companies in the Group can, in addition, exercise another function in relation to the underlying or components thereof, such as issuing agent, calculation agent, paying agent and/or administrative agent. Therefore, there can be conflicts of interest regarding the duties when determining the prices of the Products and other determinations related thereto among the relevant companies in the Group and between the companies and the investors. Furthermore, the Issuer and other companies in the Group may act as members of a consortium, financial advisor or commercial bank in connection with future offers of the underlying or components thereof; activities of this kind can also entail conflicts of interest and affect the value of the Products.</p> <p><i><u>Conflicts of interest related to the performance of hedging transactions</u></i></p> <p>The Issuer can use part or all of the proceeds from the sale of the Products for hedging transactions. These hedging transactions can influence the price of the underlyings or the components of the underlying that is determined on the market.</p> <p><i><u>Conflicts of interest related to the issuance of additional derivative products</u></i></p>



		<p>The Issuer and other companies in the Group can issue additional derivative products in relation to the underlying or components of the underlying, including those that have the same or similar features as the Products. The introduction of products that are in competition with the Products can have an impact on the price of the underlying or components of the underlying and therefore have an impact on the price of the Products.</p> <p><u><i>Conflicts of interest related to information specific to the Underlying</i></u></p> <p>The Issuer and other companies in the Group can receive non-public information regarding the underlying or components of the underlying, but are not obliged to pass such information on to the Holders. Furthermore, companies in the Group can publish research reports on the underlying or components of the underlying. Activities such as those mentioned can give rise to specific conflicts of interest and therefore have an impact on the value of the Products.</p> <p><u><i>Conflicts of interest related to the determination of the selling price of the Products and commission payment</i></u></p> <p>The selling price of the Products, where appropriate in addition to fixed issue surcharges, management fees or other fees, may contain surcharges that are not transparent to the investor on the initial mathematical "fair" value of the Products (the "<b>margin</b>"). This margin will be determined by the Issuer in its sole discretion and can differ from surcharges that other issuers impose on comparable Products.</p> <p><u><i>Conflicts of interest related to Market Making for the Products</i></u></p> <p>It is intended that under normal market conditions the Lead Manager or, if applicable, a third party will regularly quote bid and offer prices for each issue of Products. However, no legal obligations are assumed with respect to the amount or the realisation of such quotations. It should be noted that it may not be possible to sell the Products during their term at a particular point in time or at a particular price.</p> <p><u><i>Interests of third parties involved in the issue</i></u></p> <p>The Issuer can involve cooperation partners and external advisors in the issuance of Products, e.g. in the composition and adjustment of a basket or index. It is possible that such cooperation partners and advisors may pursue their own interests in the course of an issuance by the Issuer and when providing their associated advice. A conflict of interest of advisors may mean that they make an investment decision or suggestion in their own interest rather than in the interest of the investors.</p>
<b>Section E – Offer</b>		
E.2b	Reasons for the offer	Not applicable; the proceeds from the sale of the Products are used

	and use of proceeds when different from making profit	for hedging the payment obligations arising from the issue of the Products and for the purposes of the Issuer's ordinary business activities.
E.3	Description of the terms and conditions of the offer	<p>Issue Price [for subscriptions during the subscription period] [on the Issue Date]: [●] [<i>in the case of series of products, insert as necessary table:</i> ●]</p> <p>[<i>insert for TCM Secured Products:</i> The issue price includes the costs of collateralising the TCM Secured Products. These costs amount to [●] [between ● and ●] at the time the products are issued.]</p> <p>Issue Date: [●]</p> <p>[The Products are offered for subscription during the subscription period, i.e. from [●] to including [●]. The Issuer reserves the right to end the subscription period early [or to extend it]. The Issuer is not obliged to accept subscription applications. Partial allocations are possible (in particular in the event of oversubscription). The Issuer is not obliged to issue subscribed Products.] [The Issuer reserves the right to cancel the offer.]</p> <p>[<i>insert, where required, further information to describe the conditions of the offer:</i> ●]</p> <p>[●, with registered office in ●, will act as “<b>Italian Deal Manager</b>” (“<i>Responsabile del collocamento</i>” as defined by Article 93-bis of Legislative Decree n. 58/1998), for the purposes of Article 13(2) of CONSOB Regulation n.11971/1999 (“<b>CONSOB Regulation on Issuer</b>”).]</p>
E.4	Description of any interest that is material to the issue/offer including conflicting interests	<p>The Issuer and other companies in the Group deal in the underlyings or in components of the underlying or in options or futures contracts relating to the underlyings or components thereof in their normal course of business and from time to time may participate in transactions connected to the Products for their own account or on behalf of others. The Issuer and other companies in the Group can also hold interests in individual underlyings or in the companies contained in these underlyings, meaning that conflicts of interest can arise in connection with the Products.</p> <p>Furthermore, the Issuer and other companies in the Group can, in addition, exercise another function in relation to the underlying or components thereof, such as issuing agent, calculation agent, paying agent and/or administrative agent. Therefore, there can be conflicts of interest regarding the duties when determining the prices of the Products and other determinations related thereto among the relevant companies in the Group and between the companies and the investors. Furthermore, the Issuer and other companies in the Group may act as members of a consortium, financial advisor or commercial bank in connection with future offers of the underlying or components thereof; activities of this kind can also entail conflicts of interest and affect the value of the Products.</p>

		<p>The Issuer can use part or all of the proceeds from the sale of the Products for hedging transactions. These hedging transactions can influence the price of the underlyings or the components of the underlying that is determined on the market.</p> <p>The Issuer and other companies in the Group can issue additional derivative products in relation to the underlying or components of the underlying, including those that have the same or similar features as the Products. The introduction of products that are in competition with the Products can have an impact on the price of the underlying or components of the underlying and therefore have an impact on the price of the Products.</p> <p>The Issuer and other companies in the Group can receive non-public information regarding the underlying or components of the underlying, but are not obliged to pass such information on to the Holders. Furthermore, companies in the Group can publish research reports on the underlying or components of the underlying. Activities such as those mentioned can give rise to specific conflicts of interest and therefore have an impact on the value of the Products.</p> <p>The selling price of the Products, where appropriate in addition to fixed issue surcharges, management fees or other fees, may contain surcharges that are not transparent to the investor on the initial mathematical "fair" value of the Products (the "<b>margin</b>"). This margin will be determined by the Issuer in its sole discretion and can differ from surcharges that other issuers impose on comparable Products.</p> <p>It is intended that under normal market conditions the Lead Manager or, if applicable, a third party will regularly quote bid and offer prices for each issue of Products. However, no legal obligations are assumed with respect to the amount or the realisation of such quotations. It should be noted that it may not be possible to sell the Products during their term at a particular point in time or at a particular price.</p> <p>The Issuer can involve cooperation partners and external advisors in the issuance of Products, e.g. in the composition and adjustment of a basket or index. It is possible that such cooperation partners and advisors may pursue their own interests in the course of an issuance by the Issuer and when providing their associated advice. A conflict of interest of advisors may mean that they make an investment decision or suggestion in their own interest rather than in the interest of the investors.</p>
E.7	Estimated expenses charged to the investor by the Issuer or the offeror	<p>[Not applicable. The Issuer or the Lead Manager will not charge the investor any further costs over and above the Issue Price [(plus a surcharge, if applicable) or the purchase price.]</p> <p>[In addition to the Issue Price (plus a surcharge, if applicable) or the purchase price the Issuer or the Lead Manager will charge to</p>

I. SUMMARY

		the investor further costs in the amount of [●].] [Information about expenses additional to the Issue Price or the purchase price can to be obtained from the relevant distributor.]
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DEUTSCHE ÜBERSETZUNG DER ZUSAMMENFASSUNG

Zusammenfassungen bestehen aus bestimmten Offenlegungspflichten, den sogenannten “Punkten”. Diese Punkte sind in den nachfolgenden Abschnitten A – E gegliedert und nummeriert (A.1 – E.7).

Diese Zusammenfassung enthält alle Punkte, die in eine Zusammenfassung für diese Art von Wertpapieren und für Emittenten dieses Typs aufzunehmen sind. Da einige Punkte nicht zu berücksichtigen sind, ist die Nummerierung zum Teil nicht durchgängig und es kann zu Lücken kommen.

Auch wenn ein Punkt aufgrund der Art des Wertpapiers bzw. für Emittenten dieses Typs in die Zusammenfassung aufgenommen werden muss, ist es möglich, dass bezüglich dieses Punkts keine relevante Information zu geben ist. In diesem Fall enthält die Zusammenfassung an der entsprechenden Stelle eine kurze Beschreibung der Schlüsselinformation und den Hinweis “Entfällt”.

Abschnitt A - Einleitung und Warnhinweise		
A.1	Warnhinweise	<p>Die Zusammenfassung ist als Einführung zum Basisprospekt vom 18. Juni 2019 ([wie nachgetragen durch [<i>gegebenenfalls Nachträge einfügen: ●</i>] und] inklusive etwaiger zukünftiger Nachträge) der Leonteq Securities AG (die “<b>Emittentin</b>”) zu verstehen.</p> <p>Der Anleger sollte jede Entscheidung zur Anlage in die Produkte auf die Prüfung des gesamten Basisprospekts, einschließlich der durch Verweis einbezogenen Dokumente, etwaiger Nachträge und der Endgültigen Bedingungen stützen.</p> <p>Für den Fall, dass vor einem Gericht Ansprüche aufgrund der in einem Basisprospekt, durch Verweis einbezogenen Dokumenten, etwaigen Nachträgen sowie den in den jeweiligen Endgültigen Bedingungen enthaltenen Informationen geltend gemacht werden, könnte der klagende Anleger aufgrund einzelstaatlicher Rechtsvorschriften von Mitgliedstaaten des Europäischen Wirtschaftsraums die Kosten für eine Übersetzung des Basisprospekts, der durch Verweis einbezogenen Dokumente, etwaiger Nachträge und der Endgültigen Bedingungen in die Gerichtssprache vor Prozessbeginn zu tragen haben.</p> <p>Die Emittentin oder Personen, von denen der Erlass ausgeht, können für den Inhalt dieser Zusammenfassung, einschließlich etwaiger Übersetzungen davon, haftbar gemacht werden, jedoch nur für den Fall, dass die Zusammenfassung irreführend, unrichtig oder widersprüchlich ist, wenn sie zusammen mit den anderen Teilen des Basisprospekts gelesen wird oder sie, wenn sie zusammen mit den anderen Teilen des Basisprospekts gelesen wird, nicht alle erforderlichen Schlüsselinformationen vermittelt.</p>
A.2	- Zustimmung zur Verwendung des Prospekts	<p>[<i>im Fall einer generellen Zustimmung, einfügen:</i> Die Emittentin stimmt der Nutzung des Basisprospekts und dieser Endgültigen Bedingungen durch alle Finanzintermediäre (generelle Zustimmung (<i>general consent</i>)) zu. Die generelle Zustimmung für die spätere Weiterveräu-</p>

		<p>Berung oder endgültige Platzierung der Produkte ist durch die Finanzintermediäre in Bezug auf [den] [die] Angebotsstaat[en] und für die Angebotsfrist, während der die Produkte weiterverkauft oder endgültig platziert werden können, gegeben, vorausgesetzt der Basisprospekt ist weiterhin gemäß § 9 WpPG gültig.]</p> <p><i>[im Fall einer individuellen Zustimmung zur Nutzung des Prospekts durch bestimmte Finanzintermediäre in allen Angebotsstaaten, einfügen:</i> Die Emittentin stimmt der Nutzung des Basisprospekts und der Endgültigen Bedingungen für Angebote durch die folgenden Finanzintermediäre (individuelle Zustimmung (<i>individual consent</i>)) zu: <i>[Name und Adresse des bestimmten Finanzintermediärs einfügen: ●]</i>. Die individuelle Zustimmung für die anschließende Weiterveräußerung oder endgültige Platzierung der Produkte ist durch die festgelegten Finanzintermediäre in Bezug auf [den][die] Angebotsstaat[en] und für die Angebotsfrist, während der die Produkte weiterverkauft oder endgültig platziert werden können, gegeben, vorausgesetzt der Basisprospekt ist weiterhin gemäß § 9 WpPG gültig. Jede neue Information bezüglich der Finanzintermediäre, die zum Zeitpunkt der Billigung des Basisprospekts oder der Hinterlegung der Endgültigen Bedingungen unbekannt ist, wird [in elektronischer Form auf der Webseite <a href="http://www.leonteq.com">www.leonteq.com</a> (unter „Unsere Services“ – „Investment Solutions“ – „Strukturierte Produkte“ – „Service“ – „Prospekte“ - unter der Rubrik „Bekanntmachungen“)]<i>[andere Internetseite einfügen: ●]</i> veröffentlicht.]</p> <p><i>[im Fall einer individuellen Zustimmung zur Nutzung des Prospekts durch bestimmte Finanzintermediäre in verschiedenen, ausgewählten, Jurisdiktionen, einfügen:</i> Die Emittentin stimmt der Nutzung des Basisprospekts und der Endgültigen Bedingungen für die anschließende Weiterveräußerung oder endgültige Platzierung der Produkte durch die in untenstehender Tabelle aufgeführten Finanzintermediäre (individuelle Zustimmung (<i>individual consent</i>)) bezüglich [des][der] in untenstehender Tabelle ausgewählten Angebotsstaat[s][en] für die Dauer der Angebotsfrist, während der die Produkte weiterverkauft oder endgültig platziert werden können, zu, vorausgesetzt der Basisprospekt ist weiterhin gemäß § 9 WpPG gültig.</p> <p>Name und Adresse des Ausgewählte[r] Angebotsstaat[en] Finanzintermediärs</p> <p>[●] [Deutschland] [,][und] [Frankreich] [,][und] [das Vereinigte Königreich] [,][und] [Italien] [,][und] [die Tschechische Republik][,][und] [die Niederlande][,][und] [Irland]</p> <p>[●] [Deutschland] [,][und] [Frankreich] [,][und] [das Vereinigte Königreich] [,][und] [Italien] [,][und] [die Tschechische Republik][,][und] [die Niederlande][,][und] [Irland]</p> <p>Jede neue Information bezüglich der Finanzintermediäre, die zum</p>
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		<p>Zeitpunkt der Billigung des Basisprospekts oder der Hinterlegung der Endgültigen Bedingungen unbekannt ist, wird [in elektronischer Form auf der Webseite <a href="http://www.leonteq.com">www.leonteq.com</a> (unter „Unsere Services“ – „Investment Solutions“ – „Strukturierte Produkte“ – „Service“ – „Prospekte“ - unter der Rubrik „Bekanntmachungen“)]<i>[andere Internetseite einfügen: ●]</i> veröffentlicht.]</p> <p>[“<b>Angebotsstaat[en]</b>” bezeichnet [den][die] folgenden Mitgliedstaat[en]: [Deutschland] [,][und] [Frankreich] [,][und] [das Vereinigte Königreich] [,][und] [Italien] [,][und] [die Tschechische Republik] [,][und] [die Niederlande][,][und] [Irland].]</p> <p>[Die anschließende Weiterveräußerung oder endgültige Platzierung der Produkte durch die Finanzintermediäre in [dem] [den] Angebotsstaat[en] kann während [der Angebotsfrist] [dem Gültigkeitszeitraum des Basisprospekts gemäß § 9 des Wertpapierprospektgesetzes] vorgenommen werden <i>[Angebotszeitraum einfügen: ●]</i>.]</p>
	- [Angebotsfrist]	<p>[“<b>Angebotsfrist</b>” bezeichnet den Zeitraum beginnend ab dem [Datum der Endgültigen Bedingungen] <i>[Datum einfügen: ●]</i>[(einschließlich)] [bis [voraussichtlich] [zum Ablauf der Gültigkeit des Basisprospekts gemäß § 9 WpPG] [zum Verfalltag] <i>[Datum einfügen: ●]</i> [(einschließlich)]] [[bzw.] bis zur Kündigung der Produkte durch die Emittentin] <i>[weitere Angaben zur Angebotsfrist einfügen: ●]</i>.]</p>
	- Bedingungen, an die die Zustimmung gebunden ist	<p>[Die vorstehende Zustimmung erfolgt vorbehaltlich der Einhaltung der für die Produkte geltenden Angebots- und Verkaufsbeschränkungen und aller jeweils anwendbaren gesetzlichen Vorschriften. Jeder Finanzintermediär ist verpflichtet, den Prospekt potenziellen Investoren nur zusammen mit etwaigen Nachträgen (sofern vorhanden) auszuhändigen.] [Die Zustimmung zur Nutzung des Prospekts ist darüber hinaus an keine weiteren Bedingungen gebunden.] [Des Weiteren wird die Zustimmung vorbehaltlich und unter der Voraussetzung erteilt, dass [●].]</p>
	- Hinweis, dass Informationen über die Bedingungen des Angebots eines Finanzintermediärs von diesem zum Zeitpunkt der Vorlage des Angebots zur Verfügung zu stellen sind	<p><b>Anlegern sind im Falle eines Angebots durch einen Finanzintermediär von diesem zum Zeitpunkt der Vorlage des Angebots die Angebotsbedingungen zur Verfügung zu stellen.</b></p>
<b>Abschnitt B – Emittent und etwaige Garantiegeber</b>		
B.1	Juristische und kommerzielle Bezeichnung des Emittenten	Die juristische und kommerzielle Bezeichnung der Emittentin lautet Leonteq Securities AG.
B.2	Sitz, Rechtsform, Rechtsordnung, Land	Leonteq Securities AG wurde am 24. September 2007 gemäss Art. 620ff. des Schweizer Obligationenrechts als Aktiengesellschaft in der

	der Gründung der Gesellschaft	Schweiz für unbestimmte Zeit gegründet und in Zürich (Schweiz) eingetragen.. Seit diesem Datum ist sie im Handelsregister des Kantons Zürich (Schweiz) unter der Nummer CHE-113.829.534 registriert. Der eingetragene Sitz der Leonteq Securities AG ist Europaallee 39, 8004 Zürich (Schweiz), und die zentrale Telefonnummer lautet +41 58 800 1000.															
B.4b	Trends, die sich auf den Emittenten und die Branchen, in denen er tätig ist, auswirken	Entfällt; es gibt keine bekannten Trends, die sich auf die Emittentin und die Branchen, in denen sie tätig ist, auswirken.															
B.5	Konzernstruktur	Die Leonteq Securities AG gegebenenfalls handelnd durch eine ihrer Zweigniederlassungen in Guernsey (Leonteq Securities AG, Guernsey Branch) oder in Amsterdam (Leonteq Securities AG, Amsterdam Branch,) ist eine hundertprozentige Tochtergesellschaft der Leonteq AG (Leonteq AG gemeinsam mit ihren Tochtergesellschaften die " <b>Leonteq Gruppe</b> "). Die Aktien der Leonteq AG sind an der SIX Swiss Exchange notiert (Valorenummer: 19089118, ISIN: CH0190891181, Symbol LEON), in dem Swiss Performance Index SPI enthalten und werden unter anderen durch die Raiffeisen Schweiz Genossenschaft, Rainer-Marc Frey, Credit Suisse Funds AG, Lukas Ruflin Familieninteressen (welche alle Beteiligungen von Lukas T. Ruflin, Clairmont Trust Company Limited und Thabatseka LP vertritt), Sandro Dorigo, die Mitglieder des Managements und die Mitarbeiter der Leonteq Gruppe gehalten.															
B.9	Gewinnprognosen oder -schätzungen	Entfällt; die Emittentin hat keine Gewinnprognose oder -schätzung abgegeben.															
B.10	Beschränkungen im Bestätigungsvermerk	Entfällt; es gibt keine Beschränkungen im Bestätigungsvermerk der Emittentin zu ihren historischen Finanzinformationen.															
B.12	Ausgewählte wesentliche historische Finanzinformationen über den Emittenten, Erklärung zu Trendinformationen sowie wesentliche Veränderungen der Finanzlage oder Handelsposition des Emittenten	<p>Die nachfolgenden Finanzinformationen (nach IFRS) wurden dem geprüften Jahresabschluss der Leonteq Securities AG für die zum 31. Dezember 2017 und 2018 geendeten Jahre entnommen.</p> <table border="1"> <thead> <tr> <th><b>in Tausend CHF</b></th> <th><b>Für das Geschäftsjahr 1. Januar – 31. Dezember 2017</b></th> <th><b>Für das Geschäftsjahr 1. Januar – 31. Dezember 2018</b></th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: center;"><b>(geprüft)</b></td> <td style="text-align: center;"><b>(geprüft)</b></td> </tr> <tr> <td><b>Umsatz</b></td> <td></td> <td></td> </tr> <tr> <td>Ergebnis der gesamten Geschäftstätigkeit</td> <td style="text-align: right;">160'742</td> <td style="text-align: right;">227'971</td> </tr> <tr> <td>Ergebnis der operati-</td> <td style="text-align: right;">22'360</td> <td style="text-align: right;">86'288</td> </tr> </tbody> </table>	<b>in Tausend CHF</b>	<b>Für das Geschäftsjahr 1. Januar – 31. Dezember 2017</b>	<b>Für das Geschäftsjahr 1. Januar – 31. Dezember 2018</b>		<b>(geprüft)</b>	<b>(geprüft)</b>	<b>Umsatz</b>			Ergebnis der gesamten Geschäftstätigkeit	160'742	227'971	Ergebnis der operati-	22'360	86'288
<b>in Tausend CHF</b>	<b>Für das Geschäftsjahr 1. Januar – 31. Dezember 2017</b>	<b>Für das Geschäftsjahr 1. Januar – 31. Dezember 2018</b>															
	<b>(geprüft)</b>	<b>(geprüft)</b>															
<b>Umsatz</b>																	
Ergebnis der gesamten Geschäftstätigkeit	160'742	227'971															
Ergebnis der operati-	22'360	86'288															



		<p>ven Geschäftstätigkeit (Gewinn vor Steuern)</p> <p style="text-align: right;"><b>31. Dezember 2017</b></p> <p style="text-align: right;"><b>31. Dezember 2018</b></p> <p style="text-align: right;"><b>(geprüft)</b>                      <b>(geprüft)</b></p> <p><b>Bilanz</b></p> <p>Summe der Aktiva                      6'321'872                      10'653'370</p> <p>Erfolgswirksam zum beizulegenden Zeitwert bewertete finanzielle Verbindlichkeiten                      3'040'531                      3'123'856</p> <p>Summe Eigenkapital                      293'433                      455'700</p> <p>Seit dem Stichtag des letzten geprüften Jahresabschlusses (31. Dezember 2018) hat es keine wesentlichen negativen Veränderungen in den Geschäftsaussichten der Emittentin gegeben.</p> <p>Seit dem Stichtag des letzten geprüften Jahresabschlusses (31. Dezember 2018) sind keine wesentlichen Veränderungen in der Finanzlage oder Handelsposition der Emittentin eingetreten.</p>
B.13	Beschreibung aller Ereignisse aus der jüngsten Zeit, die für die Bewertung der Zahlungsfähigkeit des Emittenten in hohem Maße relevant sind	Entfällt; es gibt keine Ereignisse aus der jüngsten Zeit, die für die Bewertung der Zahlungsfähigkeit des Emittenten in hohem Masse relevant sind.
B.14	B.5, sowie Abhängigkeit des Emittenten von anderen Konzerngesellschaften	Siehe B.5 Entfällt; Leonteq Securities AG hat keine Tochtergesellschaften.
B.15	Beschreibung der Haupttätigkeiten des Emittenten	Zu den Haupttätigkeiten der Leonteq Securities AG zählen die Entwicklung, die Strukturierung, der Vertrieb, die Absicherung ( <i>Hedging</i> ), die Abrechnung, das Lebenszyklus-Management ( <i>lifecycle manage-</i>

		<p>ment) sowie das Market Making für strukturierte Produkte sowie ferner die Konzeption und das Management von strukturierten Zertifikaten und fondgebundenen Lebensversicherungen.</p> <p>Die Leonteq Securities AG erbringt einige dieser Hauptdienstleistungen an ihre Plattform-Partner nach Massgabe der Kooperationsverträge. Ferner bietet die Leonteq Securities AG unter anderem Versicherungs- und Vermögensplanungslösungen für Dritte in der Schweiz und im Ausland an.</p> <p>Die Leonteq Securities AG vertreibt ihre Finanzprodukte entweder direkt an institutionelle Anleger oder indirekt über dritte Finanzintermediäre an Privatanleger.</p>
B.16	Unmittelbare oder mittelbare Beteiligungen oder Beherrschungsverhältnisse	Das Aktienkapital der Leonteq Securities AG wird zum Datum des Basisprospekts in seiner Gesamtheit von der Leonteq AG gehalten, die als Einzelaktionär die Leonteq Securities AG kontrolliert.
<b>Abschnitt C – Wertpapiere</b>		
C.1	Art und Gattung der angebotenen Wertpapiere, einschließlich Wertpapierkennung	<p><b>Art/Form der Wertpapiere</b></p> <p>Die vorliegenden Produkte sind dadurch gekennzeichnet, dass die Höhe [[und der Zeitpunkt] der Rückzahlung] [sowie die Art der Tilgung (Barausgleich oder physische Lieferung)] von der Entwicklung [des Basiswerts][der Korbbestandteile] [unabhängig] [abhängig] [ist][sind]. [Weiterhin werden die Produkte verzinst. [Die Höhe der Verzinsung ist [ebenfalls] abhängig von der Entwicklung [des Basiswerts][der Korbbestandteile]].][Die Verzinsung erfolgt unabhängig von der Entwicklung [des Basiswerts][der Korbbestandteile][, aber abhängig von der Entwicklung des Referenzzinssatzes].]</p> <p><i>[im Fall von Schweizerischen Wertrechten einfügen:</i> Die Produkte werden in unverbriefter Form gemäß Art. 973c des Schweizerischen Obligationenrechts als Wertrechte ausgegeben. Wertrechte werden von der Emittentin durch Eintrag in einem von der Emittentin geführten Wertrechtbuch geschaffen. Diese Wertrechte werden dann in das Hauptregister der Verwahrungsstelle eingetragen. Mit der Eintragung der Wertrechte im Hauptregister der Verwahrungsstelle und deren Gutschrift in einem oder mehreren Effektenkonten entstehen Bucheffekten im Sinne des Bundesgesetzes über Bucheffekten.]</p> <p><i>[im Fall von Schweizerischen Clearstream Banking AG, Frankfurt (“CBF”) Inhaberpapieren einfügen:</i> Während ihrer Laufzeit sind die Produkte in einer Globalurkunde gemäß Art. 973b des Schweizerischen Obligationenrechts (die “<b>Dauerglobalurkunde</b>”) verbrieft. Die Dauerglobalurkunde wird solange von einem Clearingsystem oder im Auftrag eines Clearingsystems verwahrt, bis sämtliche Verpflichtungen der Emittentin aus den Produkten erfüllt sind.]</p> <p><i>[im Fall von Schweizerischen Euroclear Inhaberpapieren einfügen:</i> Während ihrer Laufzeit sind die Produkte in einer Globalurkunde</p>

	<p>gemäß Art. 973b des Schweizerischen Obligationenrechts (die <b>“Dauerglobalurkunde”</b>) verbrieft. Die Dauerglobalurkunde wird solange von einer gemeinsamen Verwahrstelle im Auftrag des Clearingsystems gemäß den geltenden Regeln und Vorschriften verwahrt, bis sämtliche Verpflichtungen der Emittentin aus den Produkten erfüllt sind.]</p> <p><i>[im Fall von Schweizerischen SIX SIS Inhaberpapieren einfügen:</i> Während ihrer Laufzeit sind die Produkte in der Form einer Globalurkunde gemäß Art. 973b des Schweizerischen Obligationenrechts verbrieft, welche durch die Zahlstelle bei einer Verwahrungsstelle gemäß den Bestimmungen des schweizerischen Bundesgesetzes über Bucheffekten, hinterlegt wird. Sobald die Dauerglobalurkunde bei der Verwahrungsstelle hinterlegt ist und den Effektenkonten eines oder mehreren Teilnehmern der Verwahrungsstelle gutgeschrieben wurde, stellen die Produkte Bucheffekten gemäß den Bestimmungen des schweizerischen Bundesgesetzes über Bucheffekten dar.]</p> <p><i>[im Fall von deutschen CBF Inhaberpapieren einfügen:</i> Bei den von der Emittentin begebenen Produkten handelt es sich um Inhaberschuldverschreibungen. Die Produkte sind in einer Dauerglobalurkunde verbrieft, die während der Laufzeit der Produkte von dem Clearingsystem oder im Auftrag des Clearingsystems verwahrt wird.]</p> <p><i>[im Fall von deutschen Euroclear Inhaberpapieren einfügen:</i> [Während ihrer Laufzeit sind die Produkte in einer Globalurkunde (die <b>“Dauerglobalurkunde”</b>) ohne Zinsscheine verbrieft. Die Dauerglobalurkunde wird solange von einer gemeinsamen Verwahrstelle im Namen des Clearingsystems gemäß den geltenden Regeln und Vorschriften verwahrt, bis sämtliche Verpflichtungen der Emittentin aus den Produkten erfüllt sind.][Zum Zeitpunkt der Ausgabe sind die auf den Inhaber lautenden Produkte anfänglich durch eine vorläufige Globalurkunde (die <b>“Vorläufige Globalurkunde”</b>) ohne Zinsscheine verbrieft, die gegen Nachweis des Nichtbestehens einer U.S. Inhaberschaft (<i>certification of non-U.S. beneficial ownership</i>) gegen eine Dauerglobalurkunde (die <b>“Dauerglobalurkunde”</b>) und, zusammen mit der Vorläufigen Globalurkunde, jeweils eine <b>“Globalurkunde”</b>) austauschbar ist.]]</p> <p><i>[im Fall von deutschen SIX SIS Inhaberpapieren einfügen:</i> Bei den von der Emittentin begebenen Produkten handelt es sich um Inhaberschuldverschreibungen. Die Produkte sind in einer Dauerglobalurkunde verbrieft, die von der SIX SIS AG oder einer anderen Verwahrstelle gemäß Bundesgesetz über Bucheffekten verwahrt wird. Sobald die Dauerglobalurkunde bei einer Verwahrungsstelle gemäß den Bestimmungen des schweizerischen Bundesgesetzes über Bucheffekten hinterlegt ist und den Effektenkonten eines oder mehreren Teilnehmern der Verwahrungsstelle gutgeschrieben wurde, stellen die Produkte Bucheffekten gemäß den Bestimmungen des schweizerischen Bundesgesetzes über Bucheffekten dar.]</p>
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		<p><b>Wertpapierkennung</b></p> <p>[ISIN: [●]]</p> <p>[WKN: [●]]</p> <p>[Valorennummer: [●]]</p> <p>[Common Code: [●]]</p> <p>[weitere Kennung für die Produkte einfügen: ●]]</p> <p>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</p>
C.2	Währung der Wertpapieremission	Die Auszahlungswährung der Produkte ist [●].
C.5	Beschränkung der freien Übertragbarkeit	Entfällt; die Produkte sind frei übertragbar.
C.8	Rechte, die mit den Wertpapieren verbunden sind, einschließlich der Rangordnung und der Beschränkungen dieser Rechte	<p><b>Anwendbares Recht</b></p> <p>Form und Inhalt der Produkte sowie alle Rechte und Pflichten der Emittentin und der Inhaber bestimmen sich nach [im Fall von Produkten, die deutschem Recht unterliegen, einfügen: dem Recht der Bundesrepublik Deutschland] [im Fall von Produkten, die schweizerischem Recht unterliegen, einfügen: dem Recht der Schweiz].</p> <p><b>Mit den Produkten verbundene Rechte</b></p> <p>Jedes Produkt gewährt dem Inhaber einen Anspruch auf [im Fall von Produkten mit Couponzahlung einfügen: Zahlung des Couponbetrags an dem/den Couponzahlungstag(en)] sowie [Zahlung des Rückzahlungsbetrags][Zahlung des jeweiligen Teilrückzahlungsbetrags] [bzw.] [die Lieferung [des Basiswerts][eines Korbbestandteils] [am Rückzahlungstag][am jeweiligen Teilrückzahlungstag] wie unter C.15 ausführlicher beschrieben. [Die Produkte werden nicht verzinst.] [Die Inhaber haben das Recht, die Produkte an bestimmten Tagen während der Laufzeit des Produkts auszuüben.] [Den Inhabern kann in bestimmten Fällen ein Kündigungsrecht zustehen, sofern die Emittentin von ihrem Recht Gebrauch macht, die den Produkten zugrundeliegenden Bedingungen anzupassen, zu berichtigen bzw. zu ändern.]</p> <p><b>Status der Produkte</b></p> <p>[einfügen für den Fall, dass COSI (Collateral Secured Instruments – Pfandbesicherte Produkte) und TCM (Triparty Collateral Management – TCM Sicherheitenvertrag) nicht anwendbar sind: Die Produkte stellen allgemeine vertragliche Verbindlichkeiten der Emittentin dar, die nicht dinglich durch Vermögen der Emittentin besichert sind. Die Produkte stehen untereinander sowie, vorbehaltlich entgegenstehender zwingender gesetzlicher Regelungen, mit allen sonstigen unbesicherten und nicht nachrangigen Verbindlichkeiten der Emittentin, mit Ausnahme nachrangiger Verbindlichkeiten und solcher</p>

		<p>Verbindlichkeiten, denen aufgrund zwingender gesetzlicher Regelungen Vorrang zukommt, im gleichen Rang.]</p> <p>[<i>einfügen für den Fall, dass entweder COSI oder TCM anwendbar ist:</i> Die Produkte stellen allgemeine vertragliche Verbindlichkeiten der Emittentin dar, die dinglich besichert sind. Die Produkte stehen untereinander sowie, vorbehaltlich entgegenstehender zwingender gesetzlicher Regelungen, mit allen sonstigen dinglich besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin im gleichen Rang.]</p> <p><b>Beschränkungen der Rechte</b></p> <p>Die Emittentin ist unter bestimmten Voraussetzungen zur außerordentlichen [und ordentlichen] Kündigung der Produkte und zu Anpassungen der Produktbedingungen berechtigt. [<i>sofern TCM anwendbar, gegebenenfalls einfügen:</i> Weiterhin ist die Emittentin berechtigt, die Produkte zu kündigen, sofern der TCM-Sicherheitenvertrag gekündigt wird und aufgrund der Kündigung des TCM-Sicherheitenvertrags eine Besicherung der Produkte gemäß den Bestimmungen des TCM-Sicherheitenvertrags nicht bis zum Ende der vorgesehenen Laufzeit möglich ist.]</p>
C.11	Zulassung zum Handel	<p>[[Freiverkehr] der [Frankfurter Wertpapierbörse][●].][SIX Swiss Exchange]] [Multilateral Trading Facility denominated EuroTLX organised and managed by EuroTLX SIM S.p.A.] [Multilateral Trading Facility of securitised derivative financial instruments (the "SeDeX Market") organised and managed by Borsa Italiana S.p.A.] [<i>andere Börse einfügen:</i> ●] Die Emittentin und die Anbieterin übernehmen keine Rechtspflicht hinsichtlich des Zustandekommens einer Börseneinführung zum Beabsichtigten Ersten Handelstag oder der Aufrechterhaltung einer gegebenenfalls zu Stande gekommenen Börseneinführung.]</p> <p>[Entfällt. Eine Zulassung zum Handel oder eine Börsennotierung der Produkte ist nicht beabsichtigt.]</p>
C.15	Beeinflussung des Wertes der Wertpapiere durch den Basiswert	<p>Zwischen dem wirtschaftlichen Wert der Produkte und dem wirtschaftlichen Wert des Basiswerts besteht ein Zusammenhang. [<i>im Fall von Produkten ohne Inverse Struktur einfügen:</i> Ein Produkt verliert regelmäßig dann an Wert, wenn der Kurs des Basiswerts fällt.] [<i>im Fall von Produkten mit Inverse Struktur einfügen:</i> Die Produkte sind so ausgestaltet, dass ein Produkt regelmäßig dann an Wert verliert, wenn der Kurs des Basiswerts steigt.]</p> <p>[<i>im Fall von Bonus Zertifikaten mit Barauszahlung (Produkt Nr. 1) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung, dessen Höhe von der Entwicklung [des Basiswerts] [der Korbbestandteile] abhängt.</p> <p>[(i) Sofern [(a)] kein Barrier Event eintritt [und (b) der Endwert des Korbs (wie untenstehend unter Punkt C.19 definiert) auf oder unter</p>

		<p>dem Anfangswert des Korbs multipliziert mit dem Bonus Level liegt], entspricht der Rückzahlungsbetrag [(unter Berücksichtigung der Entwicklung des jeweiligen Wechselkurses)] [dem mit dem Ausübungsverhältnis multiplizierten Endlevel (wie untenstehend unter Punkt C.19 definiert)][dem [Ausgabepreis][Nennbetrag] unter Berücksichtigung der Entwicklung des Basiswerts] [dem [Ausgabepreis][Nennbetrag] multipliziert mit dem Quotienten aus dem Endwert des Korbs und dem Anfangswert des Korbs][, mindestens aber dem mit dem [Ausübungsverhältnis] [Ausgabepreis][Nennbetrag] multiplizierten Bonus Level (Mindestrückzahlung)].</p> <p>(ii) Sofern ein Barrier Event eingetreten ist, entspricht der Rückzahlungsbetrag nicht mehr mindestens dem mit dem [Ausübungsverhältnis] [Ausgabepreis][Nennbetrag] multiplizierten Bonus Level, sondern [[immer dem mit dem Ausübungsverhältnis multiplizierten Endlevel][dem Ausgabepreis unter Berücksichtigung der Entwicklung des Basiswerts] (1:1 Partizipation an der Entwicklung des Basiswerts)] [dem [Ausgabepreis][Nennbetrag] multipliziert mit dem Quotienten aus dem Endwert des Korbs und dem Anfangswert des Korbs] [(unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses)].]</p> <p>[(i) Sofern kein Barrier Event eingetreten ist, wird der Rückzahlungsbetrag wie folgt bestimmt [(unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses)]:</p> <p>(a) Sofern [das Endlevel [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils]] [der Endwert des Korbs] (wie untenstehend unter Punkt C.19 definiert) dem [Anfangslevel [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils]] [Anfangswert des Korbs] multipliziert mit dem Bonus Level entspricht oder diesen Wert unterschreitet, entspricht der Rückzahlungsbetrag dem Bonus Level multipliziert mit dem [Nennbetrag][Ausgabepreis].</p> <p>(b) Sofern [das Endlevel [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils]] [der Endwert des Korbs] [das Anfangslevel [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils]] [den Anfangswert des Korbs] multipliziert mit dem Bonus Level übersteigt, entspricht der Rückzahlungsbetrag dem [Nennbetrag][Ausgabepreis] multipliziert mit der Summe aus (A) dem Bonus Level und (B) dem Partizipationsfaktor multipliziert mit der Differenz zwischen (i) dem Quotienten aus dem [Endlevel [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils]] [Endwert des Korbs] und dem [Anfangslevel [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils]] [Anfangswert des Korbs] und (ii) dem Bonus Level.</p> <p>(ii) Sofern ein Barrier Event eingetreten ist, entspricht der Rückzahlungsbetrag dem [Nennbetrag][Ausgabepreis] multipliziert mit der [Entwicklung des Basiswerts][Entwicklung des sich am [schlechtesten][besten] entwickelnden Korbbestandteils][Entwicklung des Korbs] [(unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses)].]</p>
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		<p>[Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>[[Anfangslevel: [●]]</p> <p>[Anfangswert des Korbs: [●]]</p> <p>[Ausgabepreis: [●]]</p> <p>[Nennbetrag: [●]]</p> <p>[Ausübungsverhältnis: [●]]</p> <p>[Anfangswert des Korbs: [●]]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>Bonus Level: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> <hr/> <p><i>[im Fall von Bonus Zertifikaten mit etwaiger Physischer Lieferung (Produkt Nr. 2) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung oder die physische Lieferung des Basiswerts, abhängig von der Entwicklung des Basiswerts.</p> <p>(i) Sofern (a) kein Barrier Event eintritt und (b) das Endlevel (wie untenstehend unter Punkt C.19 definiert) dem Anfangslevel multipliziert mit dem Bonus Level entspricht oder diesen Wert unterschreitet, entspricht der Rückzahlungsbetrag dem Mindestrückzahlungsbetrag (der dem Bonus Level multipliziert mit dem Ausgabepreis [und ferner multipliziert mit der Entwicklung des maßgeblichen Wechselkurses] entspricht).</p> <p>(ii) In allen anderen Fällen erhält der Inhaber eine bestimmte Anzahl des Basiswerts geliefert, die durch das Ausübungsverhältnis ausgedrückt wird. Bruchteile des Basiswerts werden dabei nicht geliefert, sondern durch Zahlung eines Barbetrags, des sog. Spitzenausgleichsbetrags, ausgeglichen.</p> <p>[Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>[Anfangslevel: [●]</p> <p>[Ausgabepreis: [●]]</p>
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		<p>[Ausübungsverhältnis: [●]]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>Bonus Level: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> <hr/> <p><i>[im Fall von Capped Bonus Zertifikaten mit Barauszahlung und mit Nennbetrag (Produkt Nr. 3) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung, dessen Höhe von der Entwicklung des Basiswerts abhängt.</p> <p>(i) Sofern (a) kein Barrier Event eintritt und (b) der Endwert des Korbs (wie untenstehend unter Punkt C.19 definiert) dem Anfangswert des Korbs multipliziert mit dem Bonus Level entspricht oder diesen Wert unterschreitet, entspricht der Rückzahlungsbetrag dem Mindestrückzahlungsbetrag (der dem mit dem Nennbetrag [und der Entwicklung des maßgeblichen Wechselkurses] multiplizierten Bonus Level entspricht).</p> <p>(ii) In allen anderen Fällen entspricht der Rückzahlungsbetrag dem Nennbetrag unter Berücksichtigung der Entwicklung des Basiswerts, wobei der Rückzahlungsbetrag höchstens dem Höchstrückzahlungsbetrag (der dem Nennbetrag multipliziert mit dem Cap Level [und ferner multipliziert mit der Entwicklung des maßgeblichen Wechselkurses] entspricht) entspricht.</p> <p>[Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>[Anfangswert des Korbs: [●]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>Bonus Level: [●]</p> <p>Cap Level: [●]</p> <p>Nennbetrag: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> <hr/> <p><i>[im Fall von Capped Bonus Zertifikaten mit Barauszahlung und ohne</i></p>
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		<p><i>Nennbetrag (Produkt Nr. 4) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung, dessen Höhe von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängt.</p> <p>(i) Sofern kein Barrier Event eintritt [oder ein Barrier Event eintritt und das Endlevel [des Korbbestandteils mit der Schlechtesten Kursentwicklung] (wie untenstehend unter Punkt C.19 definiert) das Anfangslevel multipliziert mit dem Bonus Level überschreitet], entspricht der Rückzahlungsbetrag dem Mindestrückzahlungsbetrag (der dem mit dem Ausgabepreis [und ferner mit der Entwicklung des maßgeblichen Wechselkurses] multiplizierten Bonus Level entspricht).</p> <p>(ii) In allen anderen Fällen entspricht der Rückzahlungsbetrag dem Ausgabepreis unter Berücksichtigung der Entwicklung [des Basiswerts][des Korbbestandteils mit der Schlechtesten Kursentwicklung] [sowie unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses], wobei der Rückzahlungsbetrag höchstens dem Höchstrückzahlungsbetrag entspricht (der dem Ausgabepreis multipliziert mit dem Cap Level [und ferner multipliziert mit der Entwicklung des maßgeblichen Wechselkurses] entspricht).</p> <p>[Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>[Anfangslevel: [●]]</p> <p>Ausgabepreis: [●]</p> <p>[Ausübungsverhältnis: [●]]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>Bonus Level: [●]</p> <p>Cap Level: [●]]</p> <p>[Schlechteste Kursentwicklung: [●]]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> <hr/> <p><i>[im Fall von Capped Bonus Zertifikaten mit etwaiger Physischer Lieferung (Produkt Nr. 5) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung oder die physische Lieferung des Basiswerts, abhängig von der Entwicklung des Basiswerts.</p> <p>(i) Sofern [(a)] kein Barrier Event eintritt [oder (b) ein Barrier Event</p>
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		<p>eintritt und das Endlevel (wie untenstehend unter Punkt C.19 definiert) den Ausgabepreis multipliziert mit dem Bonus Level überschreitet], entspricht der Rückzahlungsbetrag dem Mindestrückzahlungsbetrag (der dem Bonus Level multipliziert mit dem Ausgabepreis [und ferner multipliziert mit der Entwicklung des maßgeblichen Wechselkurses] entspricht). Der Rückzahlungsbetrag entspricht maximal dem Höchstrückzahlungsbetrag (der dem Ausgabepreis multipliziert mit dem Cap Level [und ferner multipliziert mit der Entwicklung des maßgeblichen Wechselkurses] entspricht).</p> <p>(ii) In allen anderen Fällen erhält der Inhaber eine bestimmte Anzahl des Basiswerts geliefert, die durch das Ausübungsverhältnis ausgedrückt wird. Bruchteile des Basiswerts werden dabei nicht geliefert, sondern durch Zahlung eines Barbetrags, des sog. Spitzenausgleichsbetrags, ausgeglichen.</p> <p>[Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>[[Anfangslevel: [●]]</p> <p>Ausgabepreis: [●]</p> <p>[Ausübungsverhältnis: [●]]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>Bonus Level: [●]</p> <p>Cap Level: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> <hr/> <p><i>[im Fall von Anleihen (Reverse Convertibles) mit Barauszahlung (Produkt Nr. 6) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung, dessen Höhe von der Entwicklung des Basiswerts abhängt.</p> <p>(i) Liegt das Endlevel (wie untenstehend unter Punkt C.19 definiert) über dem Ausübungspreis, erhält der Inhaber den Nennbetrag [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses]. Der Nennbetrag [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses] ist der maximale Betrag, den der Inhaber als Rückzahlungsbetrag erhalten kann.</p> <p>(ii) Liegt das Endlevel auf oder unter dem Ausübungspreis, erhält der Inhaber einen Rückzahlungsbetrag in Höhe des Nennbetrags unter</p>
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		<p>Berücksichtigung der Entwicklung des Basiswerts [und multipliziert mit der Entwicklung des maßgeblichen Wechselkurses]. Dieser Betrag liegt regelmäßig unter dem Nennbetrag.</p> <p>Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] (wie untenstehend unter Punkt C.16 definiert) einen Couponbetrag [(unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses)]. Die Couponzahlung erfolgt unabhängig von der Entwicklung des Basiswerts.</p> <p>[[Anfangslevel: [●]]</p> <p>Ausübungspreis: [●]</p> <p>Couponbetrag: [●]</p> <p>Nennbetrag: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> <hr/> <p><i>[im Fall von Anleihen (Reverse Convertibles) mit etwaiger Physischer Lieferung (Produkt Nr. 7) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung oder die physische Lieferung des Basiswerts, abhängig von der Entwicklung des Basiswerts.</p> <p>(i) Liegt das Endlevel (wie untenstehend unter Punkt C.19 definiert) über dem Ausübungspreis, erhält der Inhaber den Nennbetrag [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses]. Der Nennbetrag [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses] ist der maximale Betrag, den der Inhaber als Rückzahlungsbetrag erhalten kann.</p> <p>(ii) Liegt das Endlevel auf oder unter dem Ausübungspreis, erhält der Inhaber eine bestimmte Anzahl des Basiswerts geliefert, die durch das Ausübungsverhältnis ausgedrückt wird. Bruchteile des Basiswerts werden dabei nicht geliefert, sondern durch Zahlung eines Barbetrags, des sog. Spitzenausgleichsbetrags, ausgeglichen. Der Gegenwert der gelieferten Basiswerte liegt regelmäßig unter dem Nennbetrag.</p> <p>Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] (wie untenstehend unter Punkt C.16 definiert) einen Couponbetrag [(unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses)]. Die Couponzahlung erfolgt unabhängig von der Entwicklung des Basiswerts.</p> <p>[[Anfangslevel: [●]]</p> <p>Ausübungspreis: [●]</p> <p>[Ausübungsverhältnis: [●]]</p> <p>Couponbetrag: [●]</p> <p>Nennbetrag: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben</i></p>
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		<p><i>genannten maßgeblichen Definitionen einfügen: ●</i>]</p> <p><i>[im Fall von Anleihen (Barrier Reverse Convertibles) mit Barauszahlung (Produkt Nr. 8) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung, dessen Höhe von der Entwicklung des Basiswerts abhängt.</p> <p>(i) Sofern kein Barrier Event eingetreten ist [oder ein Barrier Event eingetreten ist und das Endlevel (wie untenstehend unter Punkt C.19 definiert) über dem Anfangslevel liegt,], erhält der Inhaber den Nennbetrag [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses]. Der Nennbetrag [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses] ist der maximale Betrag, den der Inhaber als Rückzahlungsbetrag erhalten kann.</p> <p>(ii) In allen anderen Fällen erhält der Inhaber einen Rückzahlungsbetrag in Höhe des Nennbetrags unter Berücksichtigung der Kursentwicklung des [Basiswerts] [Korbbestandteils mit der schlechtesten Kursentwicklung] [sowie unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses].</p> <p>[Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] (wie untenstehend unter Punkt C.16 definiert) einen Couponbetrag [(unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses)]. Die Couponzahlung erfolgt unabhängig von der Entwicklung des Basiswerts.] [Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>[[Anfangslevel: ●]]</p> <p>Barrier: ●]</p> <p>Barrier Event: ●]</p> <p>Barrier Level: ●]</p> <p>[Barrier Beobachtungsperiode: ●]]</p> <p>[Couponbetrag: ●]]</p> <p>Nennbetrag: ●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●</i>]</p> <p><i>[im Fall von Anleihen (Barrier Reverse Convertibles) mit etwaiger Physischer Lieferung (Produkt Nr. 9) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung oder die physische Lieferung [des Basis-</p>
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		<p>werts][des Korbbestandteils mit der schlechtesten Kursentwicklung], abhängig von der Entwicklung [des Basiswerts][der Korbbestandteile].</p> <p>(i) Sofern kein Barrier Event eingetreten ist [oder ein Barrier Event eingetreten ist und das Endlevel (wie untenstehend unter Punkt C.19 definiert) über dem Anfangslevel liegt], erhält der Inhaber den Nennbetrag[multipliziert mit der Entwicklung des maßgeblichen Wechselkurses]. Der Nennbetrag [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses] ist der maximale Betrag, den der Inhaber als Rückzahlungsbetrag erhalten kann.</p> <p>(ii) In allen anderen Fällen erhält der Inhaber eine bestimmte Anzahl des [Basiswerts] [Korbbestandteils mit der schlechtesten Kursentwicklung] geliefert, ausgedrückt durch das Ausübungsverhältnis. Bruchteile des [Basiswerts] [Korbbestandteils] werden dabei nicht geliefert, sondern durch Zahlung eines Barbetrags, des sog. Spitzenausgleichsbetrags, ausgeglichen.</p> <p>[Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] (wie untenstehend unter Punkt C.16 definiert) einen Couponbetrag [(unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses)]. Die Couponzahlung erfolgt unabhängig von der Entwicklung [des Basiswerts][der Korbbestandteile.] [Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>[[Anfangslevel: [●]]</p> <p>Ausübungsverhältnis: [●]</p> <p>Barrier: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>[Couponbetrag: [●]]</p> <p>Nennbetrag: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> <hr/> <p><i>[im Fall von Discount Zertifikaten mit Barauszahlung (Produkt Nr. 10) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung, dessen Höhe von der Entwicklung des Basiswerts abhängt.</p> <p>(i) Sofern das Endlevel (wie untenstehend unter Punkt C.19 definiert) unter dem Cap Level liegt oder diesem entspricht, entspricht der</p>
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		<p>Rückzahlungsbetrag dem Endlevel multipliziert mit dem Ausübungsverhältnis [und ferner multipliziert mit der Entwicklung des maßgeblichen Wechselkurses].</p> <p>(ii) Sofern das Endlevel über dem Cap Level liegt, entspricht der Rückzahlungsbetrag dem Höchstrückzahlungsbetrag (der dem Cap Level unter Berücksichtigung des Ausübungsverhältnisses [sowie unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses] entspricht).</p> <p>[Ausübungsverhältnis: [●]]</p> <p>Cap Level: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> <hr/> <p><i>[im Fall von Discount Zertifikaten mit etwaiger Physischer Lieferung (Produkt Nr. 11) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung oder eine bestimmte Anzahl des Basiswerts, abhängig von der Entwicklung des Basiswerts.</p> <p>(i) Sofern das Endlevel (wie untenstehend unter Punkt C.19 definiert) über dem Cap Level liegt, entspricht der Rückzahlungsbetrag dem Höchstrückzahlungsbetrag (der dem Cap Level unter Berücksichtigung des Ausübungsverhältnisses [sowie unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses] entspricht).</p> <p>(ii) Sofern das Endlevel unter dem Cap Level liegt oder diesem entspricht, erhält der Inhaber eine bestimmte Anzahl des Basiswerts geliefert, ausgedrückt durch das Ausübungsverhältnis. Bruchteile des Basiswerts werden dabei nicht geliefert, sondern durch Zahlung eines Barbetrags, des sog. Spitzenausgleichsbetrags, ausgeglichen.</p> <p>[Ausübungsverhältnis: [●]]</p> <p>Cap Level: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> <hr/> <p><i>[im Fall von Express Zertifikaten mit Barauszahlung und ohne Nennbetrag (Produkt Nr. 12) einfügen:</i></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte sind davon abhängig, ob ein Autocall Ereignis eingetreten ist. Sofern dies der Fall ist, endet die Laufzeit der Produkte vorzeitig und die Produkte werden vorzeitig nach dem Autocall Beobachtungstag, an dem das Autocall Ereignis eingetreten ist, zurückgezahlt. Der Rückzahlungsbetrag in der Auszahlungswährung entspricht in diesem Fall dem [Ausgabepreis][Referenzbetrag] [multipliziert mit der Entwicklung des Korbs an dem maßgeblichen Autocall Beobachtungstag, wobei der Rückzahlungsbetrag mindestens dem Vorzeitigen</p>
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		<p>Mindestrückzahlungsbetrag entspricht] [und] [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses] [zuzüglich der Couponzahlung bei Vorzeitiger Rückzahlung, die dem Autocall Beobachtungstag zugeordnet ist, an dem ein Autocall Ereignis eingetreten ist [, multipliziert mit der Entwicklung des maßgeblichen Wechselkurses]].</p> <p>Ein Autocall Ereignis tritt ein, wenn [der Referenzkurs (wie untenstehend unter Punkt C.19 definiert) an einem Autocall Beobachtungstag den Autocall Trigger Level überschreitet][die Referenzkurse [sämtlicher] [●] Korbbestandteile [(ohne Berücksichtigung des Target One Basiswerts (wie untenstehend unter Punkt C.20 definiert))] an einem Autocall Beobachtungstag das jeweils maßgebliche Autocall Trigger Level überschreiten].</p> <p>Sofern eine vorzeitige Rückzahlung nicht erfolgt, ist für die Höhe des Rückzahlungsbetrags die Entwicklung [des Basiswerts][der Korbbestandteile] [oberhalb des Ausübungspreises] am Rückzahlungstag maßgeblich:</p> <p>[(a) Sofern ein Lock-In Event eingetreten ist, entspricht der Rückzahlungsbetrag dem Ausgabepreis zuzüglich des Lock-In Couponbetrags.</p> <p>(b) Sofern weder ein Lock-In Event noch ein Barrier Event eingetreten ist, entspricht der Rückzahlungsbetrag dem Ausgabepreis.</p> <p>(c) Sofern ein Lock-In Event nicht eingetreten ist, aber ein Barrier Event erfolgt ist, entspricht der Rückzahlungsbetrag dem Ausgabepreis multipliziert mit der [Entwicklung des Basiswerts] [Entwicklung des Korbbestandteils mit der schlechtesten Kursentwicklung].]</p> <p>[(a) Sofern ein Barrier Event eingetreten ist, entspricht der Rückzahlungsbetrag der mit dem [Ausgabepreis][Referenzbetrag] [und der Entwicklung des maßgeblichen Wechselkurses] multiplizierten [Entwicklung des Basiswerts] [Entwicklung des Korbbestandteils mit der schlechtesten Kursentwicklung].</p> <p>(b) Sofern kein Barrier Event eingetreten ist, wird der Rückzahlungsbetrag wie folgt bestimmt:</p> <p>(i) Sofern das Endlevel [des Korbbestandteils mit der schlechtesten Kursentwicklung] auf oder unter dem Anfangslevel notiert, entspricht der Rückzahlungsbetrag der mit dem [Ausgabepreis][Referenzbetrag] [und der Entwicklung des maßgeblichen Wechselkurses] multiplizierten Differenz aus 200 % und [der Entwicklung des Basiswerts] [der Entwicklung des Korbbestandteils mit der schlechtesten Kursentwicklung].</p> <p>(ii) Sofern das Endlevel [des Korbbestandteils mit der schlechtesten Kursentwicklung] über dem Anfangslevel notiert, entspricht der Rückzahlungsbetrag der mit dem [Ausgabepreis][Referenzbetrag] [und der Entwicklung des maßgeblichen Wechselkurses] multiplizierten [Entwicklung des Basiswerts] [Entwicklung des Korbbestandteils mit der schlechtesten Kursentwicklung].]</p>
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		<p>[(i) Sofern kein Barrier Event eingetreten ist, entspricht der Rückzahlungsbetrag dem [Ausgabepreis][Referenzbetrag] [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses]. [Der Rückzahlungsbetrag entspricht ebenfalls dem [Ausgabepreis][Referenzbetrag] [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses], wenn zwar ein Barrier Event eingetreten ist, aber das Endlevel [des Korbbestandteils mit der schlechtesten Kursentwicklung] über dem [Anfangslevel][Ausübungspreis] notiert.]</p> <p>(ii) Sofern die unter (i) angegebenen Voraussetzungen nicht erfüllt sind, entspricht der Rückzahlungsbetrag dem [Ausgabepreis][Referenzbetrag] unter Berücksichtigung [der Entwicklung] [des Basiswerts][des Korbbestandteils mit der schlechtesten Kursentwicklung] [oberhalb des Ausübungspreises] [des Mindestrückzahlungsfaktors] [sowie unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses]. [Der Rückzahlungsbetrag wird aber den Höchstrückzahlungsbetrag, der dem [Ausgabepreis][Referenzbetrag] [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses] entspricht, nicht übersteigen.][Der Rückzahlungsbetrag wird mindestens dem Ausgabepreis multipliziert mit dem Mindestrückzahlungsfaktor entsprechen.]</p> <p>[(i) Sofern ein Target One Event eingetreten ist entspricht der Rückzahlungsbetrag dem [Ausgabepreis][Referenzbetrag] [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses].</p> <p>(ii) Sofern ein Target One Event nicht eingetreten ist und kein Barrier Event eingetreten ist, entspricht der Rückzahlungsbetrag dem [Ausgabepreis][Referenzbetrag] [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses].</p> <p>(iii) Sofern ein Target One Event nicht eingetreten ist, aber das Barrier Event eingetreten ist, entspricht der Rückzahlungsbetrag dem [Ausgabepreis][Referenzbetrag] multipliziert mit [der Entwicklung des Basiswerts] [der Entwicklung des sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [und ferner multipliziert mit der Entwicklung des maßgeblichen Wechselkurses].]</p> <p>[Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] (wie untenstehend unter Punkt C.16 definiert) einen Couponbetrag [(unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses)]. [Die Couponzahlung ist von der Entwicklung [des Basiswerts][der Korbbestandteile] unabhängig.][Die Höhe des Couponbetrags ist abhängig von der Entwicklung des Referenzzinssatzes.][Die Couponzahlung [bzw. die Höhe der Couponzahlung] ist vom Eintritt eines bestimmten Ereignisses [des Basiswerts][der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten einer bestimmten Schwelle (z.B. Coupon Trigger Level)). Im Fall des Nichteintritts des Ereignisses wird für den entsprechenden Couponzahlungstag keine Couponzahlung [bzw. eine niedrigere Couponzahlung] erfolgen. [Jeder maßgebliche Tag wird hierbei gesondert betrachtet und eine Nachholung von Zahlungen des</p>
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		<p>Couponbetrags findet nicht statt.] [Die Höhe der [jeweiligen] Couponzahlung ist [ebenfalls] von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängig.]] [Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>Im Hinblick auf die Couponzahlungen ist weiterhin zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p>[[Anfangslevel: [●]]  [Ausgabepreis: [●]]  [Ausübungspreis: [●]]  Autocall Beobachtungstag[e]: [●]  Autocall Trigger Level: [●]  Barrier: [●]  Barrier Event: [●]  Barrier Level: [●]  [Barrier Beobachtungsperiode: [●]]  [Couponbetrag: [●]]  [Coupon Trigger Level: [●]]  [Couponzahlung bei Vorzeitiger Rückzahlung: [●]]  [Lock-In Beobachtungstage: [●]]  [Lock-In Couponbetrag: [●]]  [Lock-In Event: [●]]  [Lock-In Level: [●]]  [Mindestrückzahlungsfaktor: [●]]  [Nennbetrag: [●]]  [Referenzbetrag: [●]]  [Referenzzinssatz: [●]]  [Target One Level: [●]]  [Target One Event: [●]]  [Vorzeitiger Mindestrückzahlungsbetrag: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p>
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	<p><i>[im Fall von Express Zertifikaten und/oder Express Anleihen mit Barauszahlung und mit Nennbetrag (Produkt Nr. 13) einfügen:</i></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte sind davon abhängig, ob ein Autocall Ereignis eingetreten ist. Sofern dies der Fall ist, endet die Laufzeit der Produkte vorzeitig und die Produkte werden vorzeitig nach dem Autocall Beobachtungstag, an dem das Autocall Ereignis eingetreten ist, zurückgezahlt. Der Rückzahlungsbetrag in der Auszahlungswährung entspricht in diesem Fall dem [Nennbetrag][Ausgabepreis] [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses] [zuzüglich der Couponzahlung bei Vorzeitiger Rückzahlung, die dem Autocall Beobachtungstag zugeordnet ist, an dem ein Autocall Ereignis eingetreten ist [, multipliziert mit der Entwicklung des maßgeblichen Wechselkurses]].</p> <p>Ein Autocall Ereignis tritt ein, wenn [der Referenzkurs (wie untenstehend unter Punkt C.19 definiert) an einem Autocall Beobachtungstag den Autocall Trigger Level überschreitet][die Referenzkurse (wie untenstehend unter Punkt C.19 definiert) sämtlicher Korbbestandteile an einem Autocall Beobachtungstag das jeweils maßgebliche Autocall Trigger Level überschreiten].</p> <p>[Sofern eine vorzeitige Rückzahlung nicht erfolgt, ist für die Höhe des Rückzahlungsbetrags am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) die Entwicklung [des Basiswerts] [der Korbbestandteile] maßgeblich.]</p> <p>[Sofern eine vorzeitige Rückzahlung nicht erfolgt, wird der Rückzahlungsbetrag wie folgt bestimmt:]</p> <p>[Der Rückzahlungsbetrag wird wie folgt bestimmt:]</p> <p>(i) [Sofern kein Barrier Event eingetreten ist][Sofern das Endlevel über dem Ausübungspreis liegt], entspricht der Rückzahlungsbetrag dem [Nennbetrag][Ausgabepreis] [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses].</p> <p>(ii) Sofern die unter (i) angegebenen Voraussetzungen nicht vorliegen, entspricht der Rückzahlungsbetrag [dem [Nennbetrag][Ausgabepreis] unter Berücksichtigung [der Entwicklung des Basiswerts][der Entwicklung des Korbbestandteils mit der schlechtesten Kursentwicklung] [oberhalb des Ausübungspreises] [des Mindestrückzahlungsfaktors].] [dem [Nennbetrag][Ausgabepreis] multipliziert mit der Summe von (A) 100 % und (B) der mit dem Partizipationsfaktor multiplizierten Differenz zwischen dem Endlevel [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils] (wie untenstehend unter Punkt C.19 definiert) dividiert durch das Anfangslevel [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils] und 1, wobei der Rückzahlungsbetrag mindestens null entspricht.] [dem [Nennbetrag][Ausgabepreis] multipliziert mit dem Mindestrückzahlungsfaktor.] [Das Ergebnis wird mit der Entwicklung des maßgeblichen Wechselkurses multipliziert.] [Der Rückzahlungsbetrag wird aber den Höchstrückzahlungsbetrag, der dem</p>
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		<p>[Nennbetrag][Ausgabepreis] [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses] entspricht, nicht übersteigen.]</p> <p>[Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] (wie untenstehend unter Punkt C.16 definiert) einen Couponbetrag [(unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses)]. [Die Couponzahlung ist von [der Entwicklung des Basiswerts][der Entwicklung der Korbbestandteile] unabhängig.][Die Couponzahlung ist vom Eintritt eines bestimmten Ereignisses [des Basiswerts][der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten einer bestimmten Schwelle (z.B. Coupon Trigger Level)). Im Fall des Nichteintritts des Ereignisses wird für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen. [Jeder maßgebliche Tag wird hierbei gesondert betrachtet und eine Nachholung von Zahlungen des Couponbetrags findet nicht statt.]]]</p> <p>[Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>Im Hinblick auf die Couponzahlungen ist weiterhin zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p>[[Anfangslevel: [●]]</p> <p>[Ausübungspreis: [●]]</p> <p>Autocall Beobachtungstag[e]: [●]</p> <p>[Autocall Trigger Betrag: [●]]</p> <p>Autocall Trigger Level: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>[Couponbetrag: [●]]</p> <p>[Coupon Trigger Level: [●]]</p> <p>[Couponzahlung bei Vorzeitiger Rückzahlung: [●]]</p> <p>[Mindestrückzahlungsfaktor: [●]]</p> <p>[Nennbetrag: [●]]</p> <p>[Ausgabepreis: [●]]</p> <p>[Partizipationsfaktor: [●]]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p> <p><i>[im Fall von Tracker Zertifikaten mit Barauszahlung (Produkt Nr. 14)</i></p>
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		<p><i>einfügen:</i></p> <p>Bei diesen Produkten erhalten Inhaber am Rückzahlungstag einen Rückzahlungsbetrag in der Auszahlungswährung, dessen Höhe von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängt. Der Rückzahlungsbetrag entspricht [dem Endlevel][der Korbperformance] (wie untenstehend unter Punkt C.19 definiert) multipliziert mit dem Ausübungsverhältnis [und dem Verwaltungsfaktor] [und unter Berücksichtigung des Umrechnungsfaktors] [sowie unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses].</p> <p>[Ausübungsverhältnis: [●]]</p> <p>[Umrechnungsfaktor: [●]]</p> <p>[Verwaltungsfaktor: [●]]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p> <hr/> <p><i>[im Fall von Open End Tracker Zertifikaten mit Barauszahlung (Produkt Nr. 15) einfügen:</i></p> <p>Open End Tracker Zertifikate sind nicht mit einer festgelegten Laufzeitbegrenzung ausgestattet. Die Laufzeit der Produkte endet entweder (i) durch Ausübung der Produkte durch die Inhaber oder (ii) durch ordentliche Kündigung durch die Emittentin oder (iii) durch außerordentliche Kündigung durch die Emittentin.</p> <p>Bei diesen Produkten erhalten Inhaber am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag in der Auszahlungswährung, dessen Höhe von der Entwicklung des Basiswerts abhängt. Der Rückzahlungsbetrag entspricht dem Endlevel (wie untenstehend unter Punkt C.19 definiert) unter Berücksichtigung des Ausübungsverhältnisses [und des Verwaltungsfaktors] [und unter Berücksichtigung des Umrechnungsfaktors] [sowie unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses].</p> <p>[[Ausgabepreis: [●]]</p> <p>Ausübungsverhältnis: [●]</p> <p>[Umrechnungsfaktor: [●]]</p> <p>[Verwaltungsfaktor: [●]]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p>
		<p><i>[im Fall von Express Zertifikaten mit etwaiger Physischer Lieferung und mit Nennbetrag (Produkt Nr. 16) einfügen:</i></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte sind davon abhängig, ob ein Autocall Ereignis eingetreten ist. Sofern dies der Fall ist, endet die Laufzeit der Produkte vorzeitig und die Produkte werden vorzeitig nach dem Autocall Beobachtungstag, an dem das Autocall Ereignis eingetreten ist, zurückgezahlt. Der Rückzahlungsbetrag entspricht in diesem Fall dem Nennbe-</p>

		<p>trag [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses].</p> <p>Ein Autocall Ereignis tritt ein, wenn [der Referenzkurs (wie untenstehend unter Punkt C.19 definiert) an einem Autocall Beobachtungstag den Autocall Trigger Level überschreitet][die Referenzkurse sämtlicher Korbbestandteile an einem Autocall Beobachtungstag das jeweils maßgebliche Autocall Trigger Level überschreiten].</p> <p>Sofern eine vorzeitige Rückzahlung nicht erfolgt, ist für die Höhe des Rückzahlungsbetrags bzw. die Art der Tilgung (Barauszahlung oder Physische Lieferung) die Entwicklung [des Basiswerts][der Korbbestandteile] maßgeblich:</p> <p>(i) Sofern [[(i) kein Barrier Event eingetreten ist [oder (ii) ein Barrier Event eingetreten ist und das Endlevel (wie untenstehend unter Punkt C.19 definiert) über dem [Anfangslevel] [Ausübungspreis] notiert]]][das Endlevel (wie untenstehend unter Punkt C.19 definiert) den Ausübungspreis überschreitet], entspricht der Rückzahlungsbetrag dem Nennbetrag [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses].</p> <p>(ii) Andernfalls erhält der Inhaber eine bestimmte Anzahl [des Basiswerts][des Korbbestandteils mit der schlechtesten Kursentwicklung] geliefert, ausgedrückt durch das Ausübungsverhältnis. Bruchteile [des Basiswerts][des Korbbestandteils] werden dabei nicht geliefert, sondern durch Zahlung eines Barbetrags, des sog. Spitzenausgleichsbetrags, ausgeglichen.</p> <p>[Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] (wie untenstehend unter Punkt C.16 definiert) einen Couponbetrag [(unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses)]. [Die Couponzahlung ist dabei von der Entwicklung [des Basiswerts][der Korbbestandteile] unabhängig.] [Die Couponzahlung ist vom Eintritt eines bestimmten Ereignisses [des Basiswerts] [der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten einer bestimmten Schwelle (z.B. Coupon Trigger Level)). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen.] [Jeder maßgebliche Tag wird hierbei gesondert betrachtet und eine Nachholung von Zahlungen des Couponbetrags findet nicht statt.] [Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>Im Hinblick auf die Couponzahlungen ist [weiterhin] zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p>[[Anfangslevel: [●]]</p> <p>Ausgabepreis: [●]</p>
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	<p>[Ausübungspreis: [●]]          Ausübungsverhältnis: [●]          Autocall Beobachtungstag[e]: [●]          Autocall Trigger Level: [●]          Barrier: [●]          Barrier Event: [●]          Barrier Level: [●]          [Barrier Beobachtungsperiode: [●]]          Couponbetrag: [●]          [Coupon Trigger Level: [●]]          Nennbetrag: [●]]  <i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p>
	<p><i>[im Fall von Express Zertifikaten mit etwaiger Physischer Lieferung und ohne Nennbetrag (Produkt Nr. 17) einfügen:</i></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte sind davon abhängig, ob ein Autocall Ereignis eingetreten ist. Sofern dies der Fall ist, endet die Laufzeit der Produkte vorzeitig und die Produkte werden vorzeitig nach dem Autocall Beobachtungstag, an dem das Autocall Ereignis eingetreten ist, zurückgezahlt. Der Rückzahlungsbetrag entspricht in diesem Fall dem Ausgabepreis [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses].</p> <p>Ein Autocall Ereignis tritt ein, wenn [der Referenzkurs des Basiswerts (wie untenstehend unter Punkt C.19 definiert) an einem Autocall Beobachtungstag den Autocall Trigger Level überschreitet][die Referenzkurse sämtlicher Korbbestandteile an einem Autocall Beobachtungstag das jeweils maßgebliche Autocall Trigger Level überschreiten].</p> <p>Sofern eine vorzeitige Rückzahlung nicht erfolgt, ist für die Höhe des Rückzahlungsbetrags bzw. die Art der Tilgung (Barauszahlung oder Physische Lieferung) die Entwicklung des Basiswerts bzw. der Korbbestandteile maßgeblich:</p> <p>(i) Sofern [[(i)] kein Barrier Event eingetreten ist [oder (ii) ein Barrier Event eingetreten ist und das Endlevel (wie untenstehend unter Punkt C.19 definiert) über dem [Anfangslevel] [Ausübungspreis] notiert]] [das Endlevel (wie untenstehend unter Punkt C.19 definiert) über dem Ausübungspreis liegt], entspricht der Rückzahlungsbetrag dem Ausgabepreis [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses].</p> <p>(ii) Andernfalls erhält der Inhaber eine bestimmte Anzahl [des Basiswerts][des Korbbestandteils mit der schlechtesten Kursentwicklung] geliefert, ausgedrückt durch das Ausübungsverhältnis. Bruchteile des</p>

		<p>[Basiswerts][Korbbestandteils] werden dabei nicht geliefert, sondern durch Zahlung eines Barbetrags, des sog. Spitzenausgleichsbetrags, ausgeglichen.</p> <p>[Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] (wie untenstehend unter Punkt C.16 definiert) einen Couponbetrag [(unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses)]. [Die Couponzahlung ist dabei von der Entwicklung [des Basiswerts][der Korbbestandteile] unabhängig.] [Die Couponzahlung ist vom Eintritt eines bestimmten Ereignisses [des Basiswerts][der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten einer bestimmten Schwelle (z.B. Coupon Trigger Level)). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen.] [Jeder maßgebliche Tag wird hierbei gesondert betrachtet und eine Nachholung von Zahlungen des Couponbetrags findet nicht statt.]] [Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>Im Hinblick auf die Couponzahlungen ist weiterhin zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p>[[Anfangslevel: [●]]  Ausgabepreis: [●]  Ausübungsverhältnis: [●]  [Ausübungspreis: [●]]  Autocall Beobachtungstag[e]: [●]  Autocall Trigger Level: [●]  Barrier: [●]  Barrier Event: [●]  Barrier Level: [●]  [Barrier Beobachtungsperiode: [●]]  [Couponbetrag: [●]]  [Coupon Trigger Level: [●]]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p>
		<p><i>[im Fall von Inverse Discount Zertifikaten mit Barauszahlung (Produkt Nr. 18) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) einen Rückzahlungsbetrag, dessen Höhe in entgegengesetzter Richtung von der Entwicklung des</p>

	<p>Basiswerts abhängt. Es sind die folgenden Fälle zu unterscheiden:</p> <p>(i) Sofern das Endlevel (wie untenstehend unter Punkt C.19 definiert) über dem Cap Level liegt, erhält der Anleger am Rückzahlungstag die Differenz zwischen Inverse Level und Endlevel unter Berücksichtigung des Ausübungsverhältnisses [sowie unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses] ausgezahlt. Der Rückzahlungsbetrag beträgt in diesem Fall jedoch mindestens null (0).</p> <p>(ii) Sofern das Endlevel auf oder unter dem Cap Level liegt, entspricht der Rückzahlungsbetrag dem Höchstrückzahlungsbetrag (welcher der Differenz zwischen dem Inverse Level und dem Cap Level unter Berücksichtigung des Ausübungsverhältnisses [sowie unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses] entspricht).</p> <p>[[Anfangslevel: [●]]  Ausübungsverhältnis: [●]  Cap Level: [●]  Inverse Level: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p>
	<p><i>[im Fall von Master Discount Zertifikaten mit Barauszahlung (Produkt Nr. 19) einfügen:</i></p> <p>Bei diesen Produkten erhalten die Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) die Summe der auf der Grundlage der einzelnen Korbbestandteile berechneten Anteiligen Rückzahlungsbeträge. Die Korbbestandteile werden dabei einzeln betrachtet und fließen mit der am Fixierungstag festgelegten Anzahl Korbbestandteil in die Berechnung des Anteiligen Rückzahlungsbetrags und damit des Rückzahlungsbetrags ein. Die Anzahl Korbbestandteil ist ein Faktor mittels dessen am Fixierungstag eine gleichgewichtete Gewichtung des jeweiligen Korbbestandteils gemessen am Wert des Produkts abgebildet wird.</p> <p>Die Rückzahlungsalternativen lauten wie folgt:</p> <p>(i) sofern das Endlevel des jeweiligen Korbbestandteils dem jeweiligen Cap Level entspricht oder dieses unterschreitet, entspricht der Anteilige Rückzahlungsbetrag dem Endlevel multipliziert mit der Anzahl Korbbestandteil; und</p> <p>(ii) sofern das Endlevel des jeweiligen Korbbestandteils das jeweilige Cap Level überschreitet, entspricht der Anteilige Rückzahlungsbetrag dem jeweiligen Cap Level multipliziert mit der Anzahl Korbbestandteil; und</p> <p>(iii) für den Fall, dass die Endlevel aller Korbbestandteile über ihren individuellen Cap Level liegen, erhält der Anleger den Höchstrückzahlungsbetrag.</p> <p><i>[In jedem Fall wird das jeweilige Ergebnis der obigen Berechnungen mit der Entwicklung des maßgeblichen Wechselkurses multipliziert.]</i></p>



	<p>[[Anfangslevel: [●]]          Anzahl Korbbestandteil: [●]          Cap Level: [●]          Anfänglicher Fixierungstag: [●]          Höchstrückzahlungsbetrag: [●]]  <i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p>
	<p><i>[im Fall von Express Zertifikaten mit Barauszahlung und mit Nennbetrag und/oder Ausgabepreis sowie unbedingter Mindestrückzahlung (Produkt Nr. 20) einfügen:</i></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte sind davon abhängig, ob ein Autocall Ereignis eingetreten ist. Sofern dies der Fall ist, endet die Laufzeit der Produkte vorzeitig und die Produkte werden vorzeitig nach dem Autocall Beobachtungstag, an dem das Autocall Ereignis eingetreten ist, zurückgezahlt. Der Rückzahlungsbetrag entspricht in diesem Fall dem [Nennbetrag][Ausgabepreis] [zuzüglich des Couponbetrags bei Vorzeitiger Rückzahlung, der dem Autocall Beobachtungstag zugeordnet ist, an dem ein Autocall Ereignis eingetreten ist [, multipliziert mit der Entwicklung des maßgeblichen Wechselkurses] [[, wobei das Ergebnis mit der] [multipliziert mit der] Entwicklung des maßgeblichen Wechselkurses [multipliziert wird]].</p> <p>Ein Autocall Ereignis tritt ein, wenn die Referenzkurse sämtlicher Korbbestandteile an einem Autocall Beobachtungstag das jeweils maßgebliche Autocall Trigger Level erreichen oder überschreiten.</p> <p>[Sofern eine vorzeitige Rückzahlung nicht erfolgt, erhält der Inhaber den Mindestrückzahlungsfaktor multipliziert mit dem [Nennbetrag][Ausgabepreis] [und der Entwicklung des maßgeblichen Wechselkurses].]</p> <p>[Sofern eine vorzeitige Rückzahlung nicht erfolgt, ist für die Höhe des Rückzahlungsbetrags die Entwicklung der Korbbestandteile maßgeblich.</p> <p>Der Anleger erhält den [Nennbetrag][Ausgabepreis] [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses], der gleichzeitig der Höchstrückzahlung entspricht, sofern die Endlevel sämtlicher Korbbestandteile (wie untenstehend unter Punkt C.19 definiert) auf oder über dem jeweiligen Autocall Trigger Level liegen. Sofern dies nicht der Fall ist, werden die Produkte zu einem Mindestrückzahlungsbetrag zurückgezahlt. Der Mindestrückzahlungsbetrag entspricht dem mit dem [Nennbetrag][Ausgabepreis] multiplizierten Mindestrückzahlungsfaktor [, ferner multipliziert mit der Entwicklung des maßgeblichen Wechselkurses].]</p> <p>[Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] (wie untenstehend unter Punkt C.16 definiert) einen Couponbetrag</p>

		<p>[(unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses)]. [Die Couponzahlung ist dabei von der Entwicklung der Korbbestandteile unabhängig.] [Die Couponzahlung ist vom Eintritt eines bestimmten Ereignisses [der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten einer bestimmten Schwelle (z.B. Coupon Trigger Level)). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen.] [Jeder maßgebliche Tag wird hierbei gesondert betrachtet und eine Nachholung von Zahlungen des Couponbetrags findet nicht statt.]] [Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>Im Hinblick auf die Couponzahlungen ist weiterhin zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem vorzeitigen Rückzahlungstag (wie untenstehend unter C.16 definiert) zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.]</p> <p>[[Anfangslevel: [●]]</p> <p>[Ausgabepreis: [●]]</p> <p>Autocall Beobachtungstag[e]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>[Couponbetrag: [●]]</p> <p>[Couponbetrag bei Vorzeitiger Rückzahlung: [●]]</p> <p>[Coupon Trigger Level: [●]]</p> <p>Mindestrückzahlungsfaktor: [●]</p> <p>[Nennbetrag: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p>
		<p><i>[im Fall von Express Zertifikaten mit Barauszahlung und mit Nennbetrag sowie mit Downside-Partizipationsfaktor (Produkt Nr. 21) einfügen:</i></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte sind davon abhängig, ob ein Autocall Ereignis eingetreten ist. Sofern dies der Fall ist, endet die Laufzeit der Produkte vorzeitig und die Produkte werden vorzeitig nach dem Autocall Beobachtungstag, an dem das Autocall Ereignis eingetreten ist, zurückgezahlt. Der Rückzahlungsbetrag entspricht in diesem Fall dem Nennbetrag [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses].</p> <p>Ein Autocall Ereignis tritt ein, wenn die Referenzkurse sämtlicher Korbbestandteile das jeweils maßgebliche Autocall Trigger Level</p>

		<p>überschreiten.</p> <p>Sofern eine vorzeitige Rückzahlung nicht erfolgt, ist für die Höhe des Rückzahlungsbetrags die Entwicklung des Korbbestandteils mit der schlechtesten Wertentwicklung maßgeblich. Darüber hinaus bestimmt der Downside-Partizipationsfaktor, in welchem Verhältnis der Inhaber überproportional am Wertverlust des Korbbestandteils mit der schlechtesten Wertentwicklung teilnimmt. Der Rückzahlungsbetrag entspricht dem Nennbetrag unter Berücksichtigung der Entwicklung des Korbbestandteils mit der schlechtesten Kursentwicklung und unter Berücksichtigung des Downside-Partizipationsfaktor. [Weiterhin wird die Entwicklung des maßgeblichen Wechselkurses berücksichtigt.] Der Rückzahlungsbetrag kann dabei den Nennbetrag unterschreiten.</p> <p>[Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] (wie untenstehend unter Punkt C.16 definiert) einen Couponbetrag [(unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses)]. [Die Couponzahlung ist dabei von der Entwicklung der Korbbestandteile unabhängig. [Die Couponzahlung ist vom Eintritt eines bestimmten Ereignisses der Korbbestandteile abhängig (z.B. Erreichen oder Überschreiten einer bestimmten Schwelle (z.B. Coupon Trigger Level)). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen.] [Jeder maßgebliche Tag wird hierbei gesondert betrachtet und eine Nachholung von Zahlungen des Couponbetrags findet nicht statt.]] [Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>Im Hinblick auf die Couponzahlungen ist weiterhin zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem vorzeitigen Rückzahlungstag (wie untenstehend unter C.16 definiert) zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p>[[Anfangslevel: [●]]</p> <p>Ausgabepreis: [●]</p> <p>Autocall Beobachtungstag[e]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>[Couponbetrag: [●]]</p> <p>[Coupon Trigger Level: [●]]</p> <p>Downside-Partizipationsfaktor: [●]</p> <p>Nennbetrag: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p>
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		<p><i>[im Fall von Zertifikaten mit Barauszahlung und mit Nennbetrag sowie unbedingter Mindestrückzahlung und Teilrückzahlungsbeträgen (Produkt Nr. 22) einfügen:</i></p> <p>Die Produkte sind dadurch gekennzeichnet, dass an mehreren über die Laufzeit verteilten Teilrückzahlungstagen (wie untenstehend unter C.16 definiert) jeweils eine Teilrückzahlung in Höhe des Nennbetrags multipliziert mit dem Teilrückzahlungsfaktor erfolgt, wobei die Zahlung unabhängig von der Entwicklung der Korbbestandteile ist. Die Summe der an sämtlichen Teilrückzahlungstagen gezahlten Teilrückzahlungsbeträgen, entspricht am Ende der Laufzeit insgesamt dem Nennbetrag multipliziert mit dem Mindestrückzahlungsfaktor [unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses]. Die Summe der Teilrückzahlungsbeträge entspricht gleichzeitig auch dem Höchstrückzahlungsbetrag.</p> <p>[Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] (wie untenstehend unter Punkt C.16 definiert) einen Couponbetrag [unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses]. Die Couponzahlung hängt davon ab, dass der Referenzkurs sämtlicher Korbbestandteile am jeweiligen Coupon Beobachtungstag ihr jeweiliges Coupon Trigger Level [erreichen oder dieses] überschreiten. Dabei wird der Couponbetrag ermittelt, indem der Nennbetrag mit (i) dem für den jeweiligen Couponzahlungstag geltenden Couponsatz sowie (ii) mit N multipliziert wird. Dabei bezeichnet N für den Fall, dass</p> <ul style="list-style-type: none"> <li>• vor dem jeweiligen Coupon Beobachtungstag noch kein Coupon Trigger Event stattgefunden hat, die Anzahl Coupon Beobachtungstage vom ersten Coupon Beobachtungstag (inklusive) bis zum jeweiligen maßgeblichen Coupon Beobachtungstag (inklusive) und für den Fall, dass</li> <li>• vor dem jeweiligen Coupon Beobachtungstag bereits ein Coupon Trigger Event stattgefunden hat, die Anzahl Coupon Beobachtungstage zwischen dem Coupon Beobachtungstag (exklusive), an welchem das letzte Coupon Trigger Event stattgefunden hat und dem jeweiligen maßgeblichen Coupon Beobachtungstag (inklusive).</li> </ul> <p><b>Sofern an keinem Coupon Beobachtungstag ein Coupon Trigger Event vorliegt, erhält der Anleger keine Couponzahlung.</b> [Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>[Couponsatz: [●]]</p> <p>Coupon Beobachtungstag[e]: [●]</p> <p>[Coupon Trigger Level: [●]]</p> <p>[Mindestrückzahlungsfaktor: [●]]</p>
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	<p>Nennbetrag: [●]          [Teilrückzahlungsfaktor: [●]]  <i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p>
	<p><i>[im Fall von Zertifikaten mit Barauszahlung und mit unbedingter Mindestrückzahlung (Produkt Nr. 23) einfügen:</i></p> <p>[Die Höhe des Rückzahlungsbetrags am Laufzeitende ist von der Kursentwicklung [des Basiswerts] [der Korbbestandteile] abhängig.]</p> <p>[Dabei erhält der Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) [eine Barauszahlung, die dem Ausgabepreis multipliziert mit dem Mindestrückzahlungsfaktor entspricht [, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird] [eine bei Emission festgelegte Barauszahlung, deren Höhe von der Entwicklung des Korbbestandteils mit der schlechtesten Kursentwicklung [sowie der Entwicklung des maßgeblichen Wechselkurses] abhängig ist.]]</p> <p>[den [Nennbetrag][Ausgabepreis] multipliziert mit der Summe aus (A) dem Mindestrückzahlungsfaktor und (B) dem Partizipationsfaktor multipliziert mit der Finalen Korbentwicklung (wie untenstehend unter Punkt C.19 definiert) [wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird]. Die Finale Korbentwicklung entspricht der Summe der Entwicklungen aller Korbbestandteile.]</p> <p>[den [Nennbetrag][Ausgabepreis] multipliziert mit der Summe aus (A) dem Mindestrückzahlungsfaktor und (B) dem Partizipationsfaktor multipliziert mit der Differenz zwischen dem Ausübungspreis und dem Endlevel [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils] geteilt durch das Anfangslevel [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [,wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird].]</p> <p>[(i) für den Fall, dass [das Endlevel [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils]] [der Endwert des Korbs] (wie untenstehend unter Punkt C.19 definiert) über dem jeweiligen [Anfangslevel][Anfangswert des Korbs] liegt, – den [Ausgabepreis][Nennbetrag] [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses]; oder</p> <p>(ii) für den Fall, dass [das Endlevel [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils]] [der Endwert des Korbs] über dem Ausübungspreis, aber auf oder unter dem jeweiligen [Anfangslevel][Anfangswert des Korbs] liegt, – den [Ausgabepreis][Nennbetrag] multipliziert mit [der Entwicklung des Basiswerts][der Entwicklung des sich am [schlechtesten][besten] entwickelnden Korbbestandteils][Entwicklung des Korbs] [, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses zu multiplizieren ist].]</p>

		<p>[(i) für den Fall, dass kein Barrier Event eingetreten ist und [das Endlevel [des Basiswerts] [des sich am [schlechtesten]][besten] entwickelnden Korbbestandteils]] [der Endwert des Korbs] auf oder über dem jeweiligen [Anfangslevel][Anfangswert des Korbs] liegt, den [Nennbetrag][Ausgabepreis] multipliziert mit der Entwicklung des [Basiswerts][sich am [schlechtesten]][besten] entwickelnden Korbbestandteils][ Korbs]. [Das Ergebnis wird mit der Entwicklung des maßgeblichen Wechselkurses multipliziert.]</p> <p>(ii) für den Fall, dass kein Barrier Event eingetreten ist und [das Endlevel [des Basiswerts] [des sich am [schlechtesten]][besten] entwickelnden Korbbestandteils]] [der Endwert des Korbs] unter dem jeweiligen [Anfangslevel][Anfangswert des Korbs] liegt, den [Nennbetrag][Ausgabepreis] multipliziert mit der Differenz aus (A) 200% und (B) [der Entwicklung des [Basiswerts][ sich am [schlechtesten]][besten] entwickelnden Korbbestandteils][ Korbs]. [Das Ergebnis wird mit der Entwicklung des maßgeblichen Wechselkurses multipliziert.]</p> <p>[für den Fall, dass das Endlevel [des sich am [schlechtesten]][besten] entwickelnden Korbbestandteils] über dem Ausübungspreis liegt, dem Ausgabepreis multipliziert mit der Summe aus (i) dem Mindestrückzahlungsfaktor und (ii) dem Partizipationsfaktor multipliziert mit dem Quotienten aus (A) der Differenz zwischen dem Endlevel [des sich am [schlechtesten]][besten] entwickelnden Korbbestandteils] und dem Ausübungspreis und (B) dem Anfangslevel [des sich am [schlechtesten]][besten] entwickelnden Korbbestandteils]. [Das Ergebnis wird mit der Entwicklung des maßgeblichen Wechselkurses multipliziert.]]</p> <p>[(i) für den Fall, dass kein Barrier Event eingetreten ist und [die Entwicklung des [Basiswerts][des Korbbestandteils mit der [schlechtesten]][besten] Entwicklung]] [die Korbperformance] [(wie untenstehend unter Punkt C.19 definiert)] negativ oder null (0) ist, den Ausgabepreis multipliziert mit dem Mindestrückzahlungsfaktor[, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses zu multiplizieren ist].</p> <p>(ii) für den Fall, dass kein Barrier Event eingetreten ist und [die Entwicklung des [Basiswerts][des Korbbestandteils mit der [schlechtesten]][besten] Entwicklung]] [die Korbperformance] positiv ist – den Ausgabepreis multipliziert mit der Summe aus (A) dem Mindestrückzahlungsfaktor und (B) dem Produkt aus dem Partizipationsfaktor und [der Entwicklung des [Basiswerts][Korbbestandteils mit der [schlechtesten]][besten] Entwicklung][der Korbperformance][, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses zu multiplizieren ist].</p> <p>(iii) für den Fall, dass ein Barrier Event eingetreten ist, den Ausgabepreis multipliziert mit dem Mindestrückzahlungsfaktor zuzüglich dem Rebate Couponbetrag[, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses zu multiplizieren ist].]</p>
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		<p>[Der Anleger erhält jedoch mindestens den [Nennbetrag][Ausgabepreis] multipliziert mit dem Mindestrückzahlungsfaktor [und der Entwicklung des maßgeblichen Wechselkurses]. [Der Rückzahlungsbetrag entspricht maximal dem Höchstrückzahlungsbetrag, der dem [Nennbetrag][Ausgabepreis] unter Berücksichtigung des Höchstrückzahlungsfaktors [und der Entwicklung des maßgeblichen Wechselkurses] entspricht.]]</p> <p>[Sofern die Finale Korbentwicklung null beträgt oder negativ ist, erhält der Anleger den Mindestbetrag in Höhe des [Nennbetrag][Ausgabepreis] multipliziert mit dem Mindestrückzahlungsfaktor [, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird].]</p> <p>[Sofern [das Endlevel [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils]] [der Endwert des Korbs] dem Ausübungspreis entspricht oder diesen unterschreitet, entspricht der Rückzahlungsbetrag dem [Ausgabepreis][Nennbetrag] multipliziert mit dem Mindestrückzahlungsfaktor [, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird].]</p> <p>[Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null (0).]</p> <p>[Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] (wie untenstehend unter Punkt C.16 definiert) einen Couponbetrag [unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses]. Der Anleger erhält eine Couponzahlung, wenn a einem Coupon Beobachtungstag ein Coupon Trigger Event eingetreten ist. <b>Sofern an keinem Coupon Beobachtungstag ein Coupon Trigger Event vorliegt, erhält der Anleger keine Couponzahlung.</b>]</p> <p>[[Anfangslevel: [●]]</p> <p>[Anfangswert des Korbs: [●]]</p> <p>[Ausgabepreis: [●]]</p> <p>[Ausübungspreis: [●]]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>[Barrier Event: [●]]</p> <p>[Barrier Level: [●]]</p> <p>[Basket Level: [●]]</p> <p>[Couponbetrag: [●]]</p> <p>[Coupon Beobachtungstag[e]: [●]]</p> <p>[Coupon Trigger Event: [●]]</p> <p>[Coupon Trigger Level: [●]]</p>
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		<p>[Höchstrückzahlungsfaktor: [●]]          [Mindestrückzahlungsfaktor: [●]]          [Nennbetrag: [●]]          [Oberes Barrier Level: [●]]          [Partizipationsfaktor: [●]]          [Rebate Couponbetrag: [●]]          [Rebate Couponsatz: [●]]          [Unteres Barrier Level: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p>
		<p><i>[im Fall von Capped Zertifikaten mit Barauszahlung und mit unbedingter Mindestrückzahlung (Produkt Nr. 24) einfügen:</i></p> <p>Das Produkt berechtigt den Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Barauszahlung zu erhalten, die dem Mindestrückzahlungsfaktor multipliziert mit dem [Nennbetrag][Ausgabepreis] entspricht[, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird]. <b>Anleger sollten beachten, dass der Mindestrückzahlungsbetrag niedriger sein kann als das für den Erwerb des Produkts eingesetzte Kapital (einschließlich gegebenenfalls des Ausgabeaufschlag und aufgewendeter Transaktionskosten).</b> Überschreitet das Endlevel (wie untenstehend unter Punkt C.19 definiert) [das Anfangslevel][des Korbbestandteils mit der schlechtesten Kursentwicklung sein Anfangslevel], partizipiert der Anleger bis zum Cap Level an der Wertsteigerung [des Basiswerts][des Korbbestandteils mit der schlechtesten Kursentwicklung] unter Berücksichtigung des Partizipationsfaktors [sowie der Entwicklung des maßgeblichen Wechselkurses]. Überschreitet das Endlevel [das Anfangslevel multipliziert mit dem Cap Level][des Korbbestandteils mit der schlechtesten Kursentwicklung sein Anfangslevel multipliziert mit dem Cap Level] erhält der Anleger den Höchstrückzahlungsbetrag [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses]. <b>Anleger partizipieren somit nicht an einer über das Cap Level hinausgehenden Wertsteigerung [des Basiswerts][des Korbbestandteils mit der schlechtesten Kursentwicklung].</b></p> <p>[Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>[[Anfangslevel: [●]]          [Ausgabeaufschlag: [●]]          Cap Level: [●]</p>



	<p>Mindestrückzahlungsfaktor: [●]          [Nennbetrag: [●]]          [Ausgabepreis: [●]]          [Partizipationsfaktor: [●]]  <i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p>
	<p><i>[im Fall von Inverse Bonus Zertifikaten mit Barauszahlung (Produkt Nr. 25) einfügen:</i></p> <p>Das Produkt berechtigt den Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Barauszahlung zu erhalten. Sofern ein Barrier Event eingetreten ist, entspricht der Rückzahlungsbetrag dem Produkt aus dem Ausgabepreis und dem Quotienten aus (i) der Differenz aus dem Cap Level und dem Endlevel [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] und (ii) dem Anfangslevel [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung][, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird].</p> <p>Sofern kein Barrier Event eingetreten ist, wird der Rückzahlungsbetrag wie folgt ermittelt:</p> <p>(i) sofern das Endlevel [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] unter dem Ausübungspreis [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] notiert, entspricht der Rückzahlungsbetrag dem Produkt aus dem Ausgabepreis und dem Quotienten aus (i) der Differenz aus dem Cap Level und dem Endlevel [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] und (ii) dem Anfangslevel [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung][, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird]; bzw.</p> <p>(ii) sofern das Endlevel [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] auf oder über dem Ausübungspreis [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] notiert, entspricht der Rückzahlungsbetrag dem Produkt aus dem Ausgabepreis und dem Bonus Level[, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird].</p> <p>[Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>[Anfangslevel: [●]          Ausgabepreis: [●]          Ausübungspreis: [●]</p>

	<p>Barrier Event: [●]          [Barrier Beobachtungsperiode: [●]]          Barrier Level: [●]          Bonus Level: [●]          Cap Level: [●]          Endlevel: [●]]  <i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p>
	<p><i>[im Fall von Capped Inverse Bonus Zertifikaten mit Barauszahlung (Produkt Nr. 26) einfügen:</i></p> <p>Das Produkt berechtigt den Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Barauszahlung zu erhalten. Sofern kein Barrier Event eingetreten ist, entspricht der Rückzahlungsbetrag dem Produkt aus dem Bonus Level und dem [Anfangslevel] [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] [Ausgabepreis][, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird].</p> <p>Sofern ein Barrier Event eingetreten ist[, wird der Rückzahlungsbetrag wie folgt ermittelt:</p> <p>(i) sofern ein Barrier Event eingetreten ist und das Endlevel [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] auf oder über dem Ausübungspreis [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] notiert, entspricht der Rückzahlungsbetrag dem Produkt aus dem [Anfangslevel] [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] [Ausgabepreis] und dem Quotienten aus (i) der Differenz aus dem Cap Level und dem Endlevel [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] und (ii) dem Anfangslevel [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung][, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird]; bzw.</p> <p>(ii) sofern ein Barrier Event eingetreten ist und das Endlevel [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] unter dem Ausübungspreis [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] notiert, entspricht der Rückzahlungsbetrag dem [Anfangslevel] [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] [Ausgabepreis] multipliziert mit dem Bonus Level.] [entspricht der Rückzahlungsbetrag dem Produkt aus dem [Anfangslevel] [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] [Ausgabepreis] und dem Quotienten aus (i) der Differenz aus dem Cap Level und dem Endlevel [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] und (ii) dem Anfangslevel [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung][, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird].]</p>

		<p>[Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>[Anfangslevel: [●]]</p> <p>[Ausgabepreis: [●]]</p> <p>Ausübungspreis: [●]</p> <p>Barrier Event: [●]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>Barrier Level: [●]</p> <p>Bonus Level: [●]</p> <p>Cap Level: [●]</p> <p>Endlevel: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p>
		<p><i>[im Fall von Mini Future Zertifikaten mit Barauszahlung (Produkt Nr. 27) einfügen:</i></p> <p>Das Produkt berechtigt den Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Barauszahlung zu erhalten, die, vorbehaltlich des Eintritts eines Stop-Loss Events, dem Produkt aus <i>[im Fall von Mini Future Long Zertifikaten einfügen: (i) dem Ausübungsverhältnis und (ii) der Differenz aus dem Endlevel und dem [Aktuellen] Ausübungspreis]</i> <i>[im Fall von Mini Future Short Zertifikaten einfügen: (i) dem Ausübungsverhältnis und (ii) der Differenz aus dem [Aktuellen] Ausübungspreis und dem Endlevel]</i> entspricht[, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird].</p> <p>Im Falle, dass ein Stop-Loss Event eingetreten ist, endet die Laufzeit der Produkte an dem Tage des Eintritts des Stop-Loss Events automatisch, ohne dass es einer gesonderten Kündigung der Produkte durch die Emittentin bedarf. In diesem Fall entspricht der von der Emittentin zu zahlende Rückzahlungsbetrag dem Produkt aus <i>[im Fall von Mini Future Long Zertifikaten einfügen: (i) dem Ausübungsverhältnis und (ii) der Differenz aus dem Stop-Loss Preis und dem [Aktuellen] Ausübungspreis]</i> <i>[im Fall von Mini Future Short Zertifikaten einfügen: (i) dem Ausübungsverhältnis und (ii) der Differenz aus dem [Aktuellen] Ausübungspreis und dem Stop-Loss Preis]</i> [, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird]. Der Rückzahlungsbetrag entspricht mindestens null.</p> <p>[[Anfangslevel: [●]]</p> <p>Ausübungspreis: [●]</p>

		<p>Ausübungsverhältnis: [●]          Endlevel: [●]          Stop-Loss Barrier: [●]          [Stop-Loss Beobachtungsperiode: [●]]          Stop-Loss Events: [●]          Stop-Loss Preis: [●]]  <i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p>
		<p><i>[im Fall von Inverse Express Zertifikaten mit Barauszahlung (Produkt Nr. 28) einfügen:</i></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte sind davon abhängig, ob ein Autocall Ereignis eingetreten ist. Sofern dies der Fall ist, endet die Laufzeit der Produkte vorzeitig und die Produkte werden vorzeitig nach dem Autocall Beobachtungstag, an dem das Autocall Ereignis eingetreten ist, zurückgezahlt. Der Rückzahlungsbetrag in der Auszahlungswährung entspricht in diesem Fall dem [Ausgabepreis][Referenzbetrag] [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses].</p> <p>Ein Autocall Ereignis tritt ein, wenn [der Referenzkurs (wie untenstehend unter Punkt C.19 definiert) an einem Autocall Beobachtungstag den Autocall Trigger Level unterschreitet][die Referenzkurse (wie untenstehend unter Punkt C.19 definiert) sämtlicher Korbbestandteile an einem Autocall Beobachtungstag das jeweils maßgebliche Autocall Trigger Level unterschreiten].</p> <p>Sofern eine vorzeitige Rückzahlung nicht erfolgt, ist für die Höhe des Rückzahlungsbetrags am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) die Entwicklung [des Basiswerts] [der Korbbestandteile] maßgeblich.</p> <p>Der Rückzahlungsbetrag wird wie folgt bestimmt:</p> <p>(i) Sofern kein Barrier Event eingetreten ist, entspricht der Rückzahlungsbetrag dem [Ausgabepreis][Referenzbetrag] [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses]. [Der Rückzahlungsbetrag entspricht ebenfalls dem [Ausgabepreis][Referenzbetrag] [multipliziert mit der Entwicklung des maßgeblichen Wechselkurses], wenn zwar ein Barrier Event eingetreten ist, aber das Endlevel [des Korbbestandteils mit [der schlechtesten] [der besten] Kursentwicklung] unter dem [Anfangslevel][Ausübungspreis] notiert.]</p> <p>(ii) Sofern die unter (i) angegebenen Voraussetzungen nicht vorliegen, entspricht der Rückzahlungsbetrag der mit dem [Ausgabepreis][Referenzbetrag] [und der Entwicklung des maßgeblichen Wechselkurses] multiplizierten Differenz zwischen 200 % und [der Performance des Basiswerts][der Performance des</p>

		<p>Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung]. Der Rückzahlungsbetrag entspricht aber mindestens null (0).</p> <p>[Weiterhin erhält der Inhaber an [dem][den] Couponzahlungstag[en] (wie untenstehend unter Punkt C.16 definiert) einen Couponbetrag [(unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses)]. [Die Couponzahlung ist von [der Entwicklung des Basiswerts][der Entwicklung der Korbbestandteile] unabhängig.][Die Couponzahlung ist vom Eintritt eines bestimmten Ereignisses [des Basiswerts][der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten einer bestimmten Schwelle (z.B. Coupon Trigger Level)). Im Fall des Nichteintritts des Ereignisses wird für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen. [Jeder maßgebliche Tag wird hierbei gesondert betrachtet und eine Nachholung von Zahlungen des Couponbetrags findet nicht statt.]]]</p> <p>[Der Inhaber erhält an dem jeweiligen Couponzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Couponzahlung. Die Höhe der Couponzahlung hängt von der Entwicklung der Korbbestandteile [und von der Entwicklung des maßgeblichen Wechselkurses] ab. Die Couponzahlung ist mindestens null.]</p> <p>Im Hinblick auf die Couponzahlungen ist weiterhin zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p>[[Anfangslevel: [●]]</p> <p>[Ausgabepreis: [●]]</p> <p>Autocall Beobachtungstag[e]: [●]</p> <p>Autocall Trigger Level: [●]</p> <p>Barrier Event: [●]</p> <p>Barrier Level: [●]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>[Couponbetrag: [●]]</p> <p>[Coupon Trigger Level: [●]]</p> <p>[Entwicklung des Basiswerts: [●]]</p> <p>[Entwicklung des Korbbestandteils: [●]]</p> <p>[Referenzbetrag: [●]]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p>
		<p><i>[im Fall von Optionsscheinen mit Barauszahlung (Produkt Nr. 29) einfügen:</i></p> <p>Das Produkt berechtigt den Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Barauszahlung zu erhalten, die dem Produkt aus (i) dem [Ausübungsverhältnis]</p>

		<p>[Nennbetrag] [Ausgabepreis] und (ii)</p> <p><i>[im Fall von Call Optionsscheinen einfügen:</i> [dem Quotienten aus (A) der Differenz aus dem [Endlevel [des Korbbestandteils mit der schlechtesten Entwicklung]] [Endwert des Korbs] (wie untenstehend unter Punkt C.19 definiert) und dem Ausübungspreis und (B) dem [Anfangslevel [des Korbbestandteils mit der schlechtesten Entwicklung]] [Anfangswert des Korbs]] [der Differenz aus (A) der [Entwicklung des Basiswerts (Quotient aus dem Endlevel und dem [Anfangslevel] [Ausübungspreis])] [Entwicklung des Korbbestandteils mit der schlechtesten Entwicklung (Quotient aus dem Endlevel und dem [Anfangslevel] [Ausübungspreis] des Korbbestandteils mit der schlechtesten Entwicklung)] [der Entwicklung des Korbs (Quotient aus dem Endwert des Korbs und dem Anfangswert des Korbs)]] und (B) dem [Anfangslevel] [Ausübungspreis]]]</p> <p><i>[im Fall von Put Optionsscheinen einfügen:</i> [dem Quotienten aus (A) der Differenz aus dem [Anfangslevel] [Ausübungspreis] und dem [Endlevel [des Korbbestandteils mit der schlechtesten Entwicklung]] [Endwert des Korbs] (wie untenstehend unter Punkt C.19 definiert) und (B) dem [[Anfangslevel] [Ausübungspreis] [des Korbbestandteils mit der schlechtesten Entwicklung]] [Anfangswert des Korbs]] [der Differenz aus (A) dem [Anfangslevel] [Ausübungspreis] und (B) der [Entwicklung des Basiswerts (Quotient aus dem Endlevel und dem Anfangslevel)] [Entwicklung des Korbbestandteils mit der schlechtesten Entwicklung (Quotient aus dem Endlevel und dem [Anfangslevel] [Ausübungspreis] des Korbbestandteils mit der schlechtesten Entwicklung)] [der Entwicklung des Korbs (Quotient aus dem Endwert des Korbs und dem Anfangswert des Korbs)]] entspricht [, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird].</p> <p><i>[im Fall von Optionsscheinen einfügen, die einen Höchstrückzahlungsbetrag vorsehen:</i> Der Rückzahlungsbetrag entspricht maximal dem Höchstrückzahlungsbetrag, der dem Produkt aus (i) dem [Ausübungsverhältnis] [Nennbetrag] [Ausgabepreis] und (ii) <i>[im Fall von Call Optionsscheinen einfügen:</i> [dem Quotienten aus (A) der Differenz aus dem Cap Level und dem [Anfangslevel] [Ausübungspreis] und (B) dem [[Anfangslevel] [Ausübungspreis] [des Korbbestandteils mit der schlechtesten Entwicklung]] [Anfangswert des Korbs]] [der Differenz aus (A) dem Cap Level und (B) dem [Anfangslevel] [Ausübungspreis]]] <i>[im Fall von Put Optionsscheinen einfügen:</i> [dem Quotienten aus (A) der Differenz aus dem [Ausübungspreis] [Anfangslevel] und dem Cap Level und (B) dem [Anfangslevel [des Korbbestandteils mit der schlechtesten Entwicklung]] [Anfangswert des Korbs]] [der Differenz aus (A) dem [Ausübungspreis] [Anfangslevel] und (B) dem Cap Level]]] entspricht[, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird].]</p> <p>Der Rückzahlungsbetrag entspricht mindestens null (0).</p> <p>[[Anfangslevel: [●]]]</p>
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	<p>[Anfangswert des Korbs: [●]]          [Ausgabepreis: [●]]          Ausübungspreis: [●]          [Ausübungsverhältnis: [●]]          [Cap Level: [●]]          [Nennbetrag: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p>
	<p><i>[im Fall von Partizipations-Zertifikaten (Produkt Nr. 30) einfügen:</i></p> <p>Das Produkt berechtigt den Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Barauszahlung [oder die physische Lieferung [des Basiswerts] [des Korbbestandteils, der sich am [schlechtesten] [besten] entwickelt hat,]] zu erhalten, abhängig von der Entwicklung [des Basiswerts] [des Korbbestandteils, der sich am [schlechtesten] [besten] entwickelt hat,] [des Korbs].</p> <p>[Die folgenden Fälle sind zu unterscheiden:</p> <p>Sofern kein Barrier Event stattgefunden hat, wird der Rückzahlungsbetrag wie folgt bestimmt [(wobei das jeweilige Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird)]:</p> <p>(i) sofern [das Endlevel [des Korbbestandteils mit der [schlechtesten] [besten] Entwicklung]] [der Endwert des Korbs] [(wie untenstehend unter Punkt C.19 definiert)] auf oder unter [dem Anfangslevel [des Korbbestandteils mit der [schlechtesten] [besten] Entwicklung]] [dem Anfangswert des Korbs] notiert, entspricht der Rückzahlungsbetrag [dem Produkt aus dem [Ausgabepreis][Nennbetrag] und der Differenz aus 200 % und der Entwicklung [des Basiswerts] [des Korbbestandteils mit der [schlechtesten] [besten] Entwicklung] [des Korbs]] [dem [Nennbetrag][Ausgabepreis] multipliziert mit der Summe aus (A) 100% und (B) der mit dem Partizipationsfaktor multiplizierten Differenz zwischen 100 % und der Entwicklung [des Basiswerts] [des Korbbestandteils mit der [schlechtesten] [besten] Entwicklung] [des Korbs]; oder</p> <p>(ii) sofern [das Endlevel [des Korbbestandteils mit der [schlechtesten] [besten] Entwicklung]] [der Endwert des Korbs] über [dem Anfangslevel [des Korbbestandteils mit der [schlechtesten] [besten] Entwicklung]] [dem Anfangswert des Korbs] notiert, entspricht der Rückzahlungsbetrag [dem Produkt aus dem [[Ausgabepreis][Nennbetrag] und der Entwicklung [des Basiswerts] [des Korbbestandteils mit der [schlechtesten] [besten] Entwicklung] [des Korbs]] [dem [Nennbetrag][Ausgabepreis] multipliziert mit der Summe aus (A) 100 % und (B) der mit dem Partizipationsfaktor multiplizierten Differenz zwischen der Entwicklung [des Basiswerts] [des Korbbestandteils mit der [schlechtesten] [besten] Entwicklung] [des Korbs] und 100 %]. [Der Rückzahlungsbetrag wird den Höchstrückzahlungsbetrag[, der dem</p>

		<p>[Nennbetrag][Ausgabepreis] multipliziert mit der Summe aus (A) 100 % und (B) der mit dem Partizipationsfaktor multiplizierten Differenz zwischen dem Cap Level und 100 % entspricht,] nicht überschreiten.]</p> <p>Sofern ein Barrier Event stattgefunden hat, [entspricht der Rückzahlungsbetrag dem [Ausgabepreis] [Nennbetrag] multipliziert mit der Entwicklung [des Basiswerts] [des Korbbestandteils mit der [schlechtesten] [besten] Entwicklung] [des Korbs]. [Der Rückzahlungsbetrag wird den Höchstrückzahlungsbetrag[, der dem Ausgabepreis multipliziert mit dem Cap Level entspricht,] nicht überschreiten.]] [erhält der Inhaber eine bestimmte Anzahl [des Basiswerts] [des Korbbestandteils mit der [schlechtesten] [besten] Entwicklung] geliefert, ausgedrückt durch das Ausübungsverhältnis. Bruchteile [des Basiswerts] [des Korbbestandteils mit der [schlechtesten] [besten] Entwicklung] werden dabei nicht geliefert, sondern durch Zahlung eines Barbetrags, des sog. Spitzenausgleichsbetrags, ausgeglichen.]]</p> <p>[Die folgenden Fälle sind zu unterscheiden: [(wobei das jeweilige Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird)]:</p> <p>(i) Sofern [das Endlevel [des Korbbestandteils mit der [schlechtesten] [besten] Entwicklung]] [der Endwert des Korbs] [(wie untenstehend unter Punkt C.19 definiert)] auf oder unter [dem Anfangslevel [des Korbbestandteils mit der [schlechtesten] [besten] Entwicklung]] [dem Anfangswert des Korbs] notiert, entspricht der Rückzahlungsbetrag dem [Nennbetrag][Ausgabepreis] multipliziert mit der Summe aus (A) 100% und (B) der mit dem Downside Partizipationsfaktor multiplizierten Entwicklung [des Basiswerts] [des Korbbestandteils mit der [schlechtesten] [besten] Entwicklung] [des Korbs].</p> <p>(ii) Sofern [das Endlevel [des Korbbestandteils mit der [schlechtesten] [besten] Entwicklung]] [der Endwert des Korbs] über [dem Anfangslevel [des Korbbestandteils mit der [schlechtesten] [besten] Entwicklung]] [dem Anfangswert des Korbs] notiert, entspricht der Rückzahlungsbetrag dem [Nennbetrag][Ausgabepreis] multipliziert mit der Summe aus (A) 100% und (B) der mit dem Partizipationsfaktor multiplizierten Entwicklung [des Basiswerts] [des Korbbestandteils mit der [schlechtesten] [besten] Entwicklung] [des Korbs].]</p> <p><i>[im Fall von Partizipationszertifikaten mit Rainbow Struktur einfügen:</i> Der Rückzahlungsbetrag entspricht dem Ausgabepreis multipliziert mit der Summe aus (A) 100 %, (B) dem Partizipationsfaktor 1 multipliziert mit der Entwicklung des sich am besten entwickelnden Korbbestandteils abzüglich 100 %, (C) dem Partizipationsfaktor 2 multipliziert mit der Entwicklung des Korbbestandteils, der sich am zweitbesten entwickelt, abzüglich 100 % und (D) dem Partizipationsfaktor 3 multipliziert mit der Entwicklung des sich am schlechtesten entwickelnden Korbbestandteils abzüglich 100%. [Das Ergebnis wird mit der Entwicklung des maßgeblichen Wechselkurses multipliziert.]]</p> <p>[[Anfangslevel: [●]]</p> <p>[Anfangswert des Korbs: [●]]</p>
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		<p>[Ausgabepreis: [●]]</p> <p>[Ausübungsverhältnis: [●]]</p> <p>[Barrier Beobachtungsperiode: [●]]</p> <p>[Barrier Event: [●]]</p> <p>[Barrier Level: [●]]</p> <p>[Cap Level: [●]]</p> <p>[Downside Partizipationsfaktor: [●]]</p> <p>[Nennbetrag: [●]]</p> <p>[Partizipationsfaktor: [●]]</p> <p>[Partizipationsfaktor 1: [●]]</p> <p>[Partizipationsfaktor 2: [●]]</p> <p>[Partizipationsfaktor 3: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p>
		<p><i>[im Fall von Spread Zertifikaten mit Barauszahlung (Produkt Nr. 31) einfügen:</i></p> <p>Das Produkt berechtigt den Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Barauszahlung zu erhalten, die, vorbehaltlich des Eintritts eines Stop-Loss Events, dem Produkt aus (i) dem [Nennbetrag][Ausgabepreis] und (ii) der Summe aus dem Anpassungsfaktor und der Outperformance abzüglich des Verwaltungsfaktors entspricht. [Das Ergebnis wird mit der Entwicklung des maßgeblichen Wechselkurses multipliziert.] Die Outperformance entspricht dem Wert, um den die Entwicklung des Korbbestandteils 1 die Entwicklung des Korbbestandteils 2 überschreitet.</p> <p>Im Falle, dass ein Stop-Loss Event eingetreten ist, endet die Laufzeit der Produkte an dem Tage des Eintritts des Stop-Loss Events automatisch, ohne dass es einer gesonderten Kündigung der Produkte durch die Emittentin bedarf. In diesem Fall entspricht der von der Emittentin zu zahlende Rückzahlungsbetrag dem Stop-Loss Rückzahlungsbetrag, der von der Berechnungsstelle nach billigem Ermessen festgestellt wird. Der Stop-Loss Rückzahlungsbetrag entspricht mindestens null.</p> <p>[[Anfangslevel: [●]]</p> <p>Anpassungsfaktor: [●]</p> <p>[Ausgabepreis: [●]]</p> <p>Endlevel: [●]</p> <p>[Nennbetrag: [●]]</p> <p>Stop-Loss Barrier: [●]</p>

	<p>[Stop-Loss Beobachtungsperiode: [●]]          Stop-Loss Events: [●]          Stop-Loss Rückzahlungsbetrag: [●]          Verwaltungsfaktor: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p>
	<p><i>[im Fall von Short Partizipations Zertifikaten mit Barauszahlung und mit unbedingter Mindestrückzahlung (Produkt Nr. 32) einfügen:</i></p> <p>Das Produkt berechtigt den Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Barauszahlung zu erhalten, die wie folgt bestimmt wird:</p> <p>(a) Sofern kein Barrier Event eingetreten ist und [das Endlevel (wie untenstehend unter Punkt C.19 definiert) [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [der Endwert des Korbs (wie untenstehend unter Punkt C.19 definiert)] auf oder unter dem [Anfangslevel] [Ausübungspreis] [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [dem Anfangswert des Korbs] notiert, entspricht der Rückzahlungsbetrag dem [Ausgabepreis][Nennbetrag] multipliziert mit der Summe aus (i) dem Mindestrückzahlungsfaktor und (ii) dem Partizipationsfaktor, der mit der Differenz zwischen [der Entwicklung des [Basiswerts] [sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [Korbs] und] [100 %][dem Ausübungspreis (in %)] [und der Entwicklung des [Basiswerts] [sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [Korbs]] multipliziert wird. [Das Ergebnis wird mit der Entwicklung des maßgeblichen Wechselkurses multipliziert.]</p> <p>(b) Sofern kein Barrier Event eingetreten ist und [das Endlevel [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [der Endwert des Korbs] über dem [Anfangslevel][Ausübungspreis] [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [dem Anfangswert des Korbs] notiert, entspricht der Rückzahlungsbetrag dem [Ausgabepreis][Nennbetrag] multipliziert mit dem Mindestrückzahlungsfaktor (der "<b>Mindestrückzahlungsbetrag</b>") [, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird]. <b>Anleger sollten beachten, dass der Mindestrückzahlungsbetrag niedriger sein kann als das für den Erwerb des Produkts eingesetzte Kapital (einschließlich gegebenenfalls des Ausgabeaufschlags und aufgewendeter Transaktionskosten).</b></p> <p>(c) Sofern ein Barrier Event eingetreten ist, entspricht der Rückzahlungsbetrag dem [Ausgabepreis][Nennbetrag] multipliziert mit der Summe aus dem Mindestrückzahlungsfaktor und dem Rebate Couponsatz [, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird].]</p> <p>[a) Sofern [das Endlevel (wie untenstehend unter Punkt C.19 defi-</p>

		<p>niert) [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [der Endwert des Korbs (wie untenstehend unter Punkt C.19 definiert)] [auf oder] unter dem [Anfangslevel] [Ausübungspreis] [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [dem Anfangswert des Korbs] [multipliziert mit dem Ausübungspreis] [, aber auf oder über dem [Anfangslevel] [Ausübungspreis][ des sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [Anfangswert des Korbs] multipliziert mit dem Cap Level [(in%)]] notiert, entspricht der Rückzahlungsbetrag dem [Nennbetrag][Ausgabepreis] multipliziert mit der Summe aus (i) dem Mindestrückzahlungsfaktor und (ii) dem Partizipationsfaktor, der mit der [durch den [Anfangslevel [des Basiswerts] [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils]] [Anfangswert des Korbs] dividierten] Differenz zwischen [100 %][dem Ausübungspreis [(in%)]] [des [Basiswerts] [sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [Korbs] und [der Entwicklung des [Basiswerts] [sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [Korbs]] [und [seinem Endlevel] [dem Endwert des Korbs] multipliziert wird[, wobei die Differenz durch den [Anfangslevel [des [Basiswerts] [sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [Anfangswert des Korbs] dividiert wird]. [Das Ergebnis wird mit der Entwicklung maßgeblichen Wechselkurses multipliziert.] [Der Rückzahlungsbetrag entspricht maximal dem Höchstrückzahlungsbetrag, der in dem Fall gezahlt wird, dass das [Endlevel des [sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [Endwerts des Korbs] unter dem [[Anfangslevel][Ausübungspreis] des [sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [Anfangswerts des Korbs] multipliziert mit dem Cap Level [(in%)] notiert. Der Höchstrückzahlungsbetrag entspricht dem [Nennbetrag][Ausgabepreis] multipliziert mit der Summe aus (i) dem Mindestrückzahlungsfaktor und (ii) dem Partizipationsfaktor multipliziert mit der Differenz zwischen dem Ausübungspreis [(in%)] und dem Cap Level [(in%)] [unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses].]</p> <p>(b) Sofern [das Endlevel [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [der Endwert des Korbs] [auf oder] über dem [Anfangslevel] [Ausübungspreis] [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils] [dem Anfangswert des Korbs] [multipliziert mit dem Ausübungspreis]notiert, entspricht der Rückzahlungsbetrag dem [Nennbetrag][Ausgabepreis] multipliziert mit dem Mindestrückzahlungsfaktor (der "<b>Mindestrückzahlungsbetrag</b>") [, wobei das Ergebnis mit der Entwicklung des maßgeblichen Wechselkurses multipliziert wird]. <b>Anleger sollten beachten, dass der Mindestrückzahlungsbetrag niedriger sein kann als das für den Erwerb des Produkts eingesetzte Kapital (einschließlich gegebenenfalls des Ausgabeaufschlags und aufgewendeter Transaktionskosten).</b>]</p> <p>[[Anfangswert des Korbs: [●]]</p> <p>[Anfangslevel: [●]]</p> <p>[Ausgabeaufschlag: [●]]</p>
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	<p>[Ausgabepreis: [●]]          [Ausübungspreis: [●]]          [Barrier Beobachtungsperiode: [●]]          [Barrier Event: [●]]          [Barrier Level: [●]]          [Cap Level: [●]]          [Höchstrückzahlungsbetrag: [●]]          Mindestrückzahlungsfaktor: [●]          [Nennbetrag: [●]]          [Partizipationsfaktor: [●]]          [Rebate Couponsatz: [●]]  <i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i></p>
	<p><i>[im Fall von Knock-Out Optionsscheinen (Produkt Nr. 33) einfügen:</i>          Das Produkt berechtigt den Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Barauszahlung zu erhalten, die  <i>[im Fall von Knock-Out Call Optionsscheinen einfügen:</i>          (a) für den Fall, dass ein Knock-Out Event nicht eingetreten ist – [und [das Endlevel [des sich am [schlechtesten] [besten] entwickelnden Korbbestandteils]] [der Endwert des Korbs] (wie untenstehend unter Punkt C.19 definiert) über dem [entsprechenden] Ausübungspreis liegt – dem [Nennbetrag][Ausgabepreis] multipliziert mit dem Produkt aus (i) dem Partizipationsfaktor und (ii) der Differenz zwischen (A) dem Quotienten aus dem [Endlevel [des sich am [schlechtesten] [besten] entwickelnden Korbbestandteils]] [Endwert des Korbs] und dem [Anfangslevel [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils]] [Anfangswert des Korbs] und (B) dem [entsprechenden] Ausübungspreis entspricht.]          [dem [Nennbetrag][Ausgabepreis] multipliziert mit der Differenz zwischen (A) dem Quotienten aus dem [Endlevel [des sich am [schlechtesten] [besten] entwickelnden Korbbestandteils]] [Endwert des Korbs] (wie untenstehend unter Punkt C.19 definiert) und dem [Anfangslevel [des sich am [schlechtesten] [besten] entwickelnden Korbbestandteils]] [Anfangswert des Korbs] und (B) dem Ausübungspreis entspricht; der Rückzahlungsbetrag beträgt mindestens null (0).]          (b) für den Fall, dass ein Knock-Out Event nicht eingetreten ist und [das Endlevel [des sich am [schlechtesten] [besten] entwickelnden Korbbestandteils]] [der Endwert des Korbs] dem [entsprechenden] Ausübungspreis entspricht oder diesen unterschreitet – null (0) beträgt; d.h. es erfolgt keine Rückzahlung und das Produkt verfällt wertlos.]</p>

		<p>[(b)] [(c)] für den Fall, dass ein Knock-Out Event eingetreten ist – [null (0) beträgt; d.h. es erfolgt keine Rückzahlung und das Produkt verfällt wertlos] [dem [Nennbetrag][Ausgabepreis] multipliziert mit dem Rebate entspricht].]</p> <p><i>[im Fall von Knock-Out Put Optionsscheinen einfügen:</i></p> <p>(a) für den Fall, dass ein Knock-Out Event nicht eingetreten ist – [und [das Endlevel [des sich am [schlechtesten] [besten] entwickelnden Korbbestandteils]] [der Endwert des Korbs] (wie untenstehend unter Punkt C.19 definiert) dem [entsprechenden] Ausübungspreis entspricht oder diesen unterschreitet – dem [Nennbetrag][Ausgabepreis] multipliziert mit dem Produkt aus (i) dem Partizipationsfaktor und (ii) der Differenz zwischen (A) dem [entsprechenden] Ausübungspreis und (B) dem Quotienten aus dem [Endlevel [des sich am [schlechtesten] [besten] entwickelnden Korbbestandteils]] [Endwerts des Korbs] und dem [Anfangslevel [des sich am [schlechtesten][besten] entwickelnden Korbbestandteils]] [Anfangswert des Korbs] entspricht.]</p> <p>[dem [Nennbetrag][Ausgabepreis] multipliziert mit der Differenz zwischen (A) dem Ausübungspreis und (B) dem Quotienten aus dem [Endlevel [des sich am [schlechtesten] [besten] entwickelnden Korbbestandteils]] [Endwert des Korbs] (wie untenstehend unter Punkt C.19 definiert) und dem [Anfangslevel [des sich am [schlechtesten] [besten] entwickelnden Korbbestandteils]] [Anfangswert des Korbs] entspricht; der Rückzahlungsbetrag beträgt mindestens null (0).]</p> <p>[(b) für den Fall, dass ein Knock-Out Event nicht eingetreten ist und [das Endlevel [des sich am [schlechtesten] [besten] entwickelnden Korbbestandteils]] [der Endwert des Korbs] den [entsprechenden] Ausübungspreis überschreitet – null (0) beträgt; d.h. es erfolgt keine Rückzahlung und das Produkt verfällt wertlos.]</p> <p>[(b)] [(c)] für den Fall, dass ein Knock-Out Event eingetreten ist – [null (0) beträgt; d.h. es erfolgt keine Rückzahlung und das Produkt verfällt wertlos] [dem [Nennbetrag][Ausgabepreis] multipliziert mit dem Rebate entspricht].]</p> <p>[[Anfangslevel: [●]]</p> <p>[Anfangswert des Korbs: [●]]</p> <p>[Ausgabepreis: [●]]</p> <p>[Ausübungspreis: [●]]</p> <p>[Knock-Out Event: [●]]</p> <p>[Knock-Out Level: [●]]</p> <p>[Knock-Out Periode: [●]]</p> <p>[Nennbetrag: [●]]</p> <p>[Rebate: [●]]</p> <p>[Partizipationsfaktor: [●]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben</i></p>
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	<p><i>genannten maßgeblichen Definitionen einfügen: ●</i>]]</p> <p><i>[im Fall von Dual Currency Notes (Produkt Nr. 34) einfügen:</i></p> <p>Das Produkt berechtigt den Anleger am Rückzahlungstag (wie untenstehend unter Punkt C.16 definiert) eine Barauszahlung zu erhalten, die sich wie folgt bestimmt:</p> <p>(a) Sofern das Endlevel (wie untenstehend unter Punkt C.16 definiert) auf oder über dem Ausübungspreis liegt, entspricht der Rückzahlungsbetrag dem Nennbetrag multipliziert mit der Summe aus eins (1) und dem Couponsatz unter Berücksichtigung der Coupontagequotient, wobei das Ergebnis von der Abwicklungswährung in die Alternative Währung unter Verwendung des Ausübungspreises umgerechnet wird. In diesem Fall enthält der Anleger entsprechend einen Rückzahlungsbetrag in der Alternativen Währung.</p> <p>(b) Sofern das Endlevel über dem Ausübungspreis liegt, entspricht der Rückzahlungsbetrag dem Nennbetrag multipliziert mit der Summe aus eins (1) und dem Couponsatz unter Berücksichtigung der Coupontagequotient.</p> <p>[[Alternative Währung: [●]]</p> <p>[Anfangslevel: [●]]</p> <p>[Ausgabeaufschlag: [●]]</p> <p>[Ausgabepreis: [●]]</p> <p>[Ausübungspreis: [●]]</p> <p>[Couponsatz: [●]]</p> <p>[Coupontagequotient: [●]]</p> <p>[Nennbetrag: [●]]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p>
	<p><i>[im Fall von Stability Notes (Produkt Nr. 35) einfügen:</i></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte sind davon abhängig, ob ein Gap Event eingetreten ist. Sofern dies der Fall ist, endet die Laufzeit der Produkte vorzeitig und die Produkte werden vorzeitig am Tag nachdem das Gap Event eingetreten ist, zurückgezahlt. Für den Fall, dass ein Gap Event eingetreten ist, wird der Rückzahlungsbetrag wie folgt bestimmt:</p> <p>(a) Sofern der Gap auf dem Gap Level liegt oder diesen Wert unterschreitet, entspricht der Rückzahlungsbetrag null (0).</p> <p>(b) Sofern der Gap das Gap Level überschreitet, entspricht der Rückzahlungsbetrag dem [Nennbetrag][Ausgabepreis] multipliziert mit der Differenz aus (A) 100% und (B) der Differenz aus dem Ausübungspreis und dem Gap, die mit dem Hebel multipliziert wird. Der Rückzahlungsbetrag entspricht jedoch mindestens null (0).</p>

		<p>Sofern ein Gap Event während der Laufzeit der Produkte nicht eingetreten ist, entspricht der Rückzahlungsbetrag am Rückzahlungstag (wie nachstehend unter Punkt C. 16 definiert) dem [Nennbetrag][Ausgabepreis].</p> <p>Vorausgesetzt, dass kein Gap Event eingetreten ist, erhält der Inhaber einen Couponbetrag am maßgeblichen Coupon Zahlungstag, der auf Grundlage des Couponsatzes und des Nennbetrages bestimmt wird. Die Couponzahlung ist unabhängig von der Entwicklung des Basiswerts.</p> <p>[[Anfangslevel: [●]]  [Ausgabepreis: [●]  [Ausübungspreis: [●]]  [Couponbetrag: [●]]  [Couponsatz: [●]]  [Coupon Zahlungstag: [●]]  Gap: [●]  Gap Event: [●]  Gap Level: [●]  Gap Beobachtungsperiode: [●]  Hebel: [●]  [Nennbetrag: [●]]]  <i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]]</i></p>
C.16	Bewertungstag, Fälligkeitstag	<p>[[Rückzahlungstag: [●]]  [Teilrückzahlungstag: [●]]  [Verfallstag: [●]]  [Vorzeitiger Rückzahlungstag: [●]]</p> <p>[Couponzahlungstag(e): [●] [Der Inhaber ist nur dann berechtigt, den Couponbetrag am maßgeblichen Couponzahlungstag zu erhalten, wenn er das Produkt am maßgeblichen Stichtag hält. "Stichtag" bedeutet [1 Banktag vor dem maßgeblichen Couponzahlungstag] [●]. ["Banktag": [entspricht jedem Tag, an dem Geschäftsbanken für den Geschäftsverkehr (einschließlich des Handels mit Devisen und der Entgegennahme von Fremdwährungseinlagen) am Hauptfinanzmarkt für die maßgebliche Auszahlungswährung geöffnet sind. Im Hinblick auf Produkte, für welche die Auszahlungswährung Euro ist, ist jeder Tag, an dem das Trans European Automated Real-Time Gross settlement Express Transfer (TARGET)-System in Betrieb ist, ein Banktag] [●].]]]</p> <p><i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben</i></p>

		<i>genannten maßgeblichen Definitionen einfügen: ●</i>
C.17	Abrechnungsverfahren	Die Emittentin wird bis zu dem Rückzahlungstag über die Zahlstelle die Überweisung des gegebenenfalls zu beanspruchenden Rückzahlungsbetrags an das Clearingsystem zur Weiterleitung an die Inhaber veranlassen.
C.18	Ertragsmodalitäten	Die Emittentin wird von ihren Zahlungs- bzw. Lieferverpflichtungen durch Zahlung bzw. Lieferung an das, oder an die Order des, maßgeblichen Clearing Systems (oder an dessen Verwahrer bzw. Bevollmächtigten) hinsichtlich des gezahlten bzw. gelieferten Betrags frei werden.
C.19	Referenzpreis des Basiswerts	[[Korbperformance: [●]] [Kurs: [●]] [Endlevel: [●]] [Endwert des Korbs: [●]] [Finale Korbentwicklung: [●]] [Referenzkurs: [●]] <i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben genannten maßgeblichen Definitionen einfügen: ●]</i>
C.20	Art des Basiswerts und Angabe des Ortes, an dem Informationen über den Basiswert erhältlich sind	Typ: [Korb von] [Aktie[n]][ und ][Genussscheine[n]] [ und ] [aktienvertretende Wertpapiere] [ und ][Index][Indizes] [ und ][Währungs-Wechselkurs[en]] [ und ][Rohstoff[en]] [ und ] [Futures Kontrakt[en]] [ und ] [festverzinsliches Finanzinstrument] [ und ] [derivatives Finanzinstrument] [ und ] [Fondsanteil[en]] [Zinssatz][Zinssätzen] [ und ] [Referenzsatz][Referenzsätzen] [[Name des Basiswerts: [●]] [Name der Korbbestandteile: [●] <i>[sofern relevant, Target One Basiswert angeben bzw. definieren: ●]</i> [ISIN: [●]] [WKN: [●]] <i>[weitere Kennung für den Basiswert einfügen: ●]</i> [Aktienemittent: [●]] [Index-Sponsor: [●]] [Fondsmanager: [●]] [Börse(n): [●]] [Kursreferenz: [●]] [Preiswährung: [●]] [Bildschirmseite: [●]] [Internetseite: [●]] <i>[im Fall von Serien von Produkten, gegebenenfalls Tabelle mit oben</i>



		<i>genannten maßgeblichen Definitionen einfügen: •]</i>
<b>Abschnitt D – Risiken</b>		
D.2	Zentrale Angaben zu den zentralen Risiken, die dem Emittenten eigen sind	<p>Die Emittentin ist Risiken ausgesetzt, die sich vor allem aus der Emission strukturierter Anlageprodukte ergeben. Die Emittentin ist Marktrisiken ausgesetzt, die sich aus der Diskrepanz zwischen ihrem Exposure aus Aktienkursen, Zinsen, Währungen, Credit Spreads und Rohstoffpreisen, die sich aus der Emission strukturierter Anlageprodukte und den Instrumenten, die die Emittentin verwendet, um sich gegen dieses Exposure abzusichern, ergeben können. Darüber hinaus unterliegt sie Liquiditätsrisiken im Zusammenhang mit der Finanzierung dieser Absicherungsaktivitäten. Die Emittentin ist Kreditrisiken ausgesetzt, die sich aus Geschäften mit Handelsgegenparteien ergeben bzw. die sich durch die Investition der Erlöse aus den Emissionen von strukturierten Anlageprodukten in Anleihen und andere festverzinsliche Instrumente ergeben. Ferner ist die Emittentin Modellrisiken, operationellen Risiken, Reputationsrisiken sowie Risiken aufgrund etwaiger Veränderungen im regulatorischen und makroökonomischen Umfeld und ihres Ratings ausgesetzt.</p> <ul style="list-style-type: none"> <li>• Auf die Finanzinformationen der Emittentin für eine bestimmte Finanzperiode sollte nicht als Indiz für zukünftige Ergebnisse vertraut werden.</li> <li>• Die Emittentin könnte aufgrund einer verschlechterten finanziellen Lage nicht fähig sein, ihre Verpflichtungen zu erfüllen. Die Emittentin könnte zahlungsunfähig werden.</li> <li>• Die Emittentin ist dem Risiko ausgesetzt, dass ihr Modell für Bewertung und Risikobemessung falsch sein könnte und, dass sich ihre Massnahmen zum Risikomanagement als nicht erfolgreich erweisen.</li> <li>• Die Emittentin ist Marktrisiken aufgrund offener Positionen bei Zins-, Währungs-, Rohstoff-, Kredit-, Equity- und anderen Produkten ausgesetzt, welche ihre Ertragslage negativ beeinflussen könnten.</li> <li>• Die Emittentin ist einem erheblichen und steigenden Wettbewerb ausgesetzt, der ihre künftige Ertragslage negativ beeinflussen könnte.</li> <li>• Die Emittentin ist den Risiken im Zusammenhang mit ihrem Plattform-Partner-Geschäft ausgesetzt, welche ihre Ertragslage negativ beeinflussen könnten.</li> <li>• Die Emittentin ist dem Kreditrisiko ihrer Gegenparteien ausgesetzt.</li> <li>• Die Emittentin unterliegt einem Marktliquiditätsrisiko sowie einem Finanzierungsliquiditätsrisiko, welche ihre Fähigkeit, ihr Geschäft zu betreiben, sowie ihre künftige Ertragslage negativ beeinflussen könnte.</li> <li>• Die Risiken der Emittentin aus Finanzinstrumenten können zu</li> </ul>

		<p>bestimmten Risikokonzentrationen führen, die einen erheblichen Verlust der Emittentin zur Folge haben können, was wiederum die künftige Ertragslage der Emittentin negativ beeinflussen könnte.</p> <ul style="list-style-type: none"> <li>• Die Aktivitäten der Emittentin und ihre Ertragslage könnten durch operationelle Risiken negativ beeinflusst werden. Die Emittentin könnte durch Compliance-, rechtliche und regulatorische Risiken sowie durch Reputationsrisiken negativ beeinflusst werden.</li> <li>• Steuerliche Risiken könnten sich negativ auf die Emittentin auswirken.</li> <li>• Die Liquidität, Profitabilität und die Geschäfte der Emittentin können durch eine Herabstufung des Kredit-Ratings negativ beeinflusst werden.</li> </ul>
<p>D.3 D.6</p>	<p>Zentrale Angaben zu den zentralen Risiken, die den Wertpapieren eigen sind</p>	<p><b><i>Ein Anleger in die Produkte sollte beachten, dass er sein Investment ganz oder teilweise verlieren kann.</i></b></p> <p><b><u>1. Risikofaktoren im Hinblick auf sämtliche Produkte</u></b></p> <ul style="list-style-type: none"> <li>• Die Produkte sind risikoreiche Instrumente der Vermögensanlage. Im Vergleich zu anderen Kapitalanlagen ist bei ihnen das Risiko von Verlusten – bis hin zum Totalverlust des eingesetzten Kapitals einschließlich der aufgewendeten Transaktionskosten – hoch.</li> <li>• Die Produkte können die Zahlung von festen oder variablen Zinsen vorsehen. Im Fall von Produkten, die eine variable Zins-/Couponzahlung vorsehen, sollten Inhaber beachten, dass die Zins-/Couponzahlung auf null (0) fallen kann oder von einer bestimmten Bedingung abhängig ist. Im Fall von Produkten, die eine feste Zins-/Couponzahlung vorsehen, sollten Inhaber beachten, dass sie nicht an steigenden Marktzinsen partizipieren.</li> <li>• Die Produkte werfen, soweit nicht ausdrücklich vorsehen, keinen laufenden Ertrag ab und gewähren insbesondere keinen Anspruch auf Dividendenzahlungen.</li> <li>• Die persönliche Rendite des Anlegers hängt maßgeblich von dem bezahlten Kaufpreis für das Produkt und von der Wertentwicklung des Produkts ab. Das Risiko von Wertverlusten besteht bereits während der Laufzeit eines Produkts.</li> <li>• Die Produkte können eine physische Lieferung des Basiswerts vorsehen und Investoren folglich keinen Geldbetrag erhalten. Es besteht das Risiko, dass der zu liefernde Basiswert bzw. zu liefernde Korbbestandteil bzw. das zu liefernde Referenzwertpapier nur einen sehr niedrigen oder auch gar keinen Wert aufweist. In diesem Fall besteht das Risiko von Verlusten – bis hin zum Totalverlust des eingesetzten Kapitals einschließlich der aufgewendeten Transaktionskosten. Darüber hinaus tragen Investoren die Emittenten- und Wertpapierrisiken des zu liefernden Basiswerts.</li> <li>• Anleger tragen das Kreditrisiko der Emittentin der Produkte. Die</li> </ul>

		<p>Produkte sind weder durch einen Einlagensicherungsfonds noch durch eine staatliche Einrichtung abgesichert oder garantiert.</p> <ul style="list-style-type: none"> <li>• Die Pfandbesicherung nach den Bestimmungen des "Rahmenvertrages für Pfandbesicherte Zertifikate" der SIX Swiss Exchange AG (COSI) reduziert das Ausfallrisiko des Emittenten nur insoweit, als die Erlöse aus der Verwertung der Sicherheiten die Ansprüche der Anleger zu decken vermögen. Sofern sich die Berechnung des aktuellen Wertes eines pfandbesicherten Produkts als fehlerhaft erweist, kann die Besicherung des pfandbesicherten Produkts ungenügend sein. Den Anlegern steht an den Sicherheiten kein eigenes Sicherungsrecht zu.</li> <li>• Die Pfandbesicherung nach den Bestimmungen des TCM-Sicherheitenvertrages reduziert das Ausfallrisiko bezüglich des Emittenten nur in dem Umfang, wie die Erlöse aus der Verwertung der Sicherheiten bei Eintritt eines Verwertungsfalls (abzüglich der Kosten für die Verwertung und Auszahlung), die Ansprüche der Anleger zu decken vermögen. Sofern sich die Berechnung des aktuellen Wertes des Produkts (Wert des Produkts vor der Verwertung zu niedrig angesetzt) oder der Sicherheiten (Wert der Sicherheit vor der Verwertung zu hoch angesetzt) als fehlerhaft erweist, kann die Besicherung des Produkts ungenügend sein. Sofern die den Produkten zugrundeliegenden Bedingungen ein Kündigungsrecht der Emittentin für den Fall vorsehen, dass der TCM-Sicherheitenvertrag gekündigt wird, trägt der Anleger im Fall der Ausübung dieses Kündigungsrechts durch die Emittentin das Rendite- und Wiederanlagerisiko.</li> <li>• Anleger sollten beachten, dass Kursänderungen (oder auch schon das Ausbleiben einer erwarteten Kursänderung) des Basiswerts den Wert des Produkts überproportional bis hin zur Wertlosigkeit mindern können, und dass bei Produkten mit Laufzeitbegrenzung nicht darauf vertraut werden sollte, dass sich der Preis des Produkts rechtzeitig wieder erholen wird.</li> <li>• Anlegern sollte bewusst sein, dass sie eventuell nicht in der Lage sein werden, sich gegen Risiken aus den Produkten abzusichern.</li> <li>• Eine Kreditfinanzierung des Erwerbs von Produkten erhöht das Verlustrisiko der Anleger erheblich.</li> <li>• Geschäfte der Emittentin oder von mit ihr verbundenen Unternehmen zur Absicherung des Risikos bezüglich des Abschlusses und der Erfüllung der Verpflichtungen aus den Produkten können erheblichen Einfluss auf die Kursentwicklung des Basiswerts und somit auf die Produkte haben.</li> <li>• Gebühren und andere Transaktionskosten vermindern die Chancen der Anleger, mit dem Erwerb des Produkts einen Gewinn zu erzielen.</li> <li>• Anleger sind dem Risiko einer falschen Erwartung im Hinblick auf die Liquidität der Produkte aufgrund des in den Endgültigen</li> </ul>
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		<p>Bedingungen angegebenen Angebotsvolumens ausgesetzt.</p> <ul style="list-style-type: none"> <li>• Anleger in börsennotierte Produkte bzw. in Produkte, die auf börsennotierte Basiswerte bzw. Korbbestandteile bezogen sind, unterliegen den Risiken, die sich aus einer Suspendierung oder Rücknahme (Dekotierung) vom Handel an der maßgeblichen Börse, aus Gründen die die Emittentin und der Lead Manager nicht zu vertreten haben, ergeben können und dem Risiko, dass dies negative Auswirkungen auf den Wert der Produkte haben kann.</li> <li>• Die Produkte könnten keine Liquidität aufweisen oder der Markt für solche Produkte könnte eingeschränkt sein, wodurch der Wert der Produkte oder die Möglichkeit der Anleger, diese zu veräußern, negativ beeinflusst werden könnte.</li> <li>• Marktstörungen, Anpassungsmaßnahmen und Kündigungsrechte können negative Auswirkungen auf den Wert der Produkte haben.</li> <li>• Im Fall des Vorliegens bestimmter Umstände hat die Emittentin das Recht zur außerordentlichen Kündigung der Produkte. Anleger erhalten in diesem Fall einen nach billigem Ermessen bestimmten Marktpreis zurückgezahlt, der auch null betragen kann.</li> <li>• Berichtigungen, Änderungen oder Ergänzungen der Bedingungen können nachteilig für Anleger sein.</li> <li>• Anleger unterliegen dem Risiko, dass Ereignisse, die den Basiswert betreffen, nach Erstellung der Endgültigen Bedingungen bekannt werden und den Kurs des Basiswerts negativ beeinflussen.</li> <li>• Änderungen im Steuerrecht können sich negativ auf den Wert bzw. den Marktpreis der Produkte auswirken oder dazu führen, dass sich die steuerliche Beurteilung der betreffenden Produkte ändert.</li> <li>• Inhaber sollten beachten, dass sich die Emittentin im Fall einer Zeichnungsfrist die vorzeitige Beendigung bzw. Verlängerung der Zeichnungsfrist vorbehält und die Emittentin nicht verpflichtet ist, Zeichnungsaufträge anzunehmen oder gezeichnete Produkte zu emittieren.</li> <li>• Falls Auszahlungen auf die Produkte in einer Währung vorgenommen werden, die sich von der Währung des Basiswerts unterscheidet, hängt das Verlustrisiko der Investoren auch von der Entwicklung der Währung des Basiswerts ab, welche nicht vorhersehbar ist. Ein Währungsrisiko besteht auch dann, wenn das Konto des Anlegers, dem ein geschuldeter Betrag gutgeschrieben werden soll, in einer von der Auszahlungswährung des Produkts abweichenden Währung geführt wird.</li> <li>• Aufgrund der Einführung einer Finanztransaktionssteuer kann der Anleger gegebenenfalls selbst zur Zahlung der Finanztransaktionssteuer oder zum Ausgleich einer Steuerzahlung gegenüber einem an der Transaktion beteiligten Finanzinstitut herangezogen werden. Hierdurch kann auch der Wert der Produkte negativ be-</li> </ul>
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		<p>einflusst werden.</p> <ul style="list-style-type: none"> <li>• Risiko eines Quellensteuereinbehalts aufgrund von Rechtsvorschriften betreffend dividendenäquivalente Zahlungen (<i>Section 871(m) of the U.S. Internal Revenue Code</i>).</li> <li>• Änderungen des Ratings der Emittentin könnten den Wert der Wertpapiere beeinflussen.</li> </ul>
		<p><b>2. Risikofaktoren im Hinblick auf bestimmte Arten von Produkten</b></p>
		<p>[im Fall von Bonus Zertifikaten mit Barauszahlung (Produkt Nr. 1) einfügen:</p> <p><u>Risiko eines Totalverlusts im Fall eines Barrier Events</u></p> <p>Sofern ein Barrier Event eingetreten ist, erlischt der Anspruch auf die Mindestrückzahlung und das Bonus Zertifikat ist mit einem Direktinvestment in den [Basiswert] [Korbbestandteil mit der [schlechtesten] [besten] Entwicklung] (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar. In diesem Fall ist der Anleger dem Risiko eines <b>Totalverlustes</b> des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten ausgesetzt, der dann eintritt, wenn der [Basiswert] [Korbbestandteil mit der [schlechtesten] [besten] Entwicklung] am Ende der Laufzeit des Produkts wertlos ist, d.h. wenn [das Endlevel] [der Endwert des Korbs] null beträgt.]</p>
		<p>[im Fall von Bonus Zertifikaten mit etwaiger Physischer Lieferung (Produkt Nr. 2) einfügen:</p> <p><u>Risiko eines Totalverlusts im Fall eines Barrier Events</u></p> <p>Sofern ein Barrier Event eingetreten ist, erlischt der Anspruch auf die Mindestrückzahlung und es erfolgt eine Tilgung der Produkte durch physische Lieferung des Basiswerts. In diesem Fall ist der Anleger dem Risiko eines <b>Totalverlustes</b> des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten ausgesetzt, der dann eintritt, wenn der Basiswert am Ende der Laufzeit des Produkts wertlos ist.]</p>
		<p>[im Fall von Capped Bonus Zertifikaten mit Barauszahlung und mit Nennbetrag (Produkt Nr. 3) einfügen:</p> <p><u>Risiko eines Totalverlusts im Fall eines Barrier Events</u></p> <p>Sofern ein Barrier Event eingetreten ist, erlischt der Anspruch auf die Mindestrückzahlung und das Capped Bonus Zertifikat ist mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar. In diesem Fall ist der Anleger dem Risiko eines <b>Totalverlustes</b> des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten ausgesetzt, der dann eintritt, wenn der Basiswert am Ende der Laufzeit des Produkts wertlos ist.</p> <p><u>Rückzahlungsbetrag ist auf den Höchstrückzahlungsbetrag begrenzt</u></p> <p>Unabhängig davon, ob ein Barrier Event eingetreten ist oder nicht, entspricht der Rückzahlungsbetrag maximal dem Höchstrückzahlungsbetrag. Das bedeutet, der Inhaber partizipiert nicht</p>

		<p>an einer über das Cap Level hinausgehenden Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Capped Bonus Zertifikaten nach oben hin beschränkt ist.]</p>
		<p>[im Fall von Capped Bonus Zertifikaten mit Barauszahlung und ohne Nennbetrag (Produkt Nr. 4) einfügen:</p> <p><u>Risiko eines Totalverlusts im Fall eines Barrier Events</u></p> <p>Sofern ein Barrier Event eingetreten ist [und das Endlevel [der Korbbestandteils mit der schlechtesten Kursentwicklung] das mit dem Anfangslevel multiplizierte Bonus Level erreicht oder unterschreitet], erlischt der Anspruch auf die Mindestrückzahlung und das Capped Bonus Zertifikat ist mit einem Direktinvestment in [den Basiswert][die Korbbestandteile] (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar. In diesem Fall ist der Anleger dem Risiko eines <b>Totalverlustes</b> des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten ausgesetzt, der dann eintritt, wenn das Endlevel [des Basiswerts][der Korbbestandteile] bei null (0) liegt.</p> <p><u>Rückzahlungsbetrag ist auf den Höchstrückzahlungsbetrag begrenzt</u></p> <p>Unabhängig davon, ob ein Barrier Event eingetreten ist oder nicht, entspricht der Rückzahlungsbetrag maximal dem Höchstrückzahlungsbetrag. Das bedeutet, der Inhaber partizipiert nicht an einer über das Cap Level hinausgehenden Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Capped Bonus Zertifikaten nach oben hin beschränkt ist.]</p>
		<p>[im Fall von Capped Bonus Zertifikaten mit etwaiger Physischer Lieferung (Produkt Nr. 5) einfügen:</p> <p><u>Risiko eines Totalverlusts im Fall eines Barrier Events</u></p> <p>Sofern ein Barrier Event eingetreten ist, erlischt der Anspruch auf die Mindestrückzahlung und das Capped Bonus Zertifikat ist mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar. Der Anleger erhält in diesem Fall den Basiswert geliefert. In diesem Fall ist der Anleger dem Risiko eines <b>Totalverlustes</b> des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten ausgesetzt, der dann eintritt, wenn das Endlevel des Basiswerts bei null (0) liegt.</p> <p><u>Rückzahlungsbetrag ist auf den Höchstrückzahlungsbetrag begrenzt</u></p> <p>Unabhängig davon, ob ein Barrier Event eingetreten ist oder nicht, entspricht der Rückzahlungsbetrag maximal dem Höchstrückzahlungsbetrag. Das bedeutet, der Inhaber partizipiert nicht an einer über das Cap Level hinausgehenden Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Capped Bonus Zertifikaten nach oben hin beschränkt ist.]</p>
		<p>[im Fall von Anleihen (Reverse Convertibles) mit Barauszahlung (Produkt Nr. 6) einfügen:</p> <p><u>Rückzahlungsbetrag ist auf den Höchstrückzahlungsbetrag begrenzt</u></p>

		<p>Der Rückzahlungsbetrag (ohne Berücksichtigung etwaiger Couponzahlungen während der Laufzeit) entspricht in jedem Fall maximal dem Nennbetrag.</p> <p><u>Totalverlustrisiko</u></p> <p>Sofern das Endlevel den Ausübungspreis erreicht oder unterschreitet, entspricht der Rückzahlungsbetrag dem Nennbetrag multipliziert mit der Performance des Basiswerts. In diesem Szenario wird der Rückzahlungsbetrag in der Regel geringer sein als der Nennbetrag. Die festgelegte(n) Couponzahlung(en) kann bzw. können in diesem Fall die negative Entwicklung des Basiswerts und den dadurch erlittenen Kapitalverlust ab einem bestimmten Punkt nicht mehr abfangen und der Inhaber erleidet einen Verlust. Der Verlust entspricht der Differenz zwischen (i) dem für das Produkt aufgewandten Kaufpreis (zuzüglich Transaktionskosten) und (ii) dem Rückzahlungsbetrag zuzüglich der Couponzahlung(en). Dies kann im Extremfall – abgesehen von der bzw. den in der Höhe festgelegten Couponzahlung(en) – bis hin zum Totalverlust des eingesetzten Kapitals führen, sofern der Basiswert am Ende der Laufzeit wertlos ist.]</p>
		<p>[im Fall von Anleihen (Reverse Convertibles) mit etwaiger Physischer Lieferung (Produkt Nr. 7) einfügen:</p> <p><u>Rückzahlungsbetrag ist auf den Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag (ohne Berücksichtigung etwaiger Couponzahlungen während der Laufzeit) entspricht in jedem Fall maximal dem Nennbetrag.</p> <p><u>Totalverlustrisiko</u></p> <p>Sofern das Endlevel den Ausübungspreis erreicht oder unterschreitet, sehen die Produkte eine physische Lieferung des Basiswerts vor. Sofern die Tilgung der Produkte durch physische Lieferung des Basiswerts erfolgt, ist zu beachten, dass der Gegenwert der gelieferten Basiswerte in der Regel geringer als der Nennbetrag ist. Die festgelegte(n) Couponzahlung(en) kann bzw. können in diesem Fall die negative Entwicklung des Basiswerts und den dadurch erlittenen Kapitalverlust ab einem bestimmten Punkt nicht mehr abfangen und der Inhaber erleidet einen Verlust. Der Verlust entspricht der Differenz zwischen (i) dem für das Produkt aufgewandten Kaufpreis (zuzüglich Transaktionskosten) und (ii) dem Gegenwert der gelieferten Basiswerte zuzüglich der Couponzahlung(en). Dies kann im Extremfall – abgesehen von der bzw. den in der Höhe festgelegten Couponzahlung(en) – bis hin zum Totalverlust des eingesetzten Kapitals führen, sofern der Basiswert am Ende der Laufzeit wertlos ist.]</p>
		<p>[im Fall von Anleihen (Barrier Reverse Convertibles) mit Barauszahlung (Produkt Nr. 8) einfügen:</p> <p><u>Rückzahlungsbetrag ist auf den Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag entspricht (ohne Berücksichtigung etwaiger</p>

	<p>Couponzahlungen während der Laufzeit) in jedem Fall maximal dem Nennbetrag.</p> <p><u>Totalverlustrisiko</u></p> <p>Sofern ein Barrier Event eingetreten ist [und das Endlevel den Anfangslevel erreicht oder unterschreitet], entspricht der Rückzahlungsbetrag dem Nennbetrag multipliziert mit der [Performance des Basiswerts] [Kursentwicklung des Korbbestandteils mit der schlechtesten Kursentwicklung]. In diesem Szenario wird der Rückzahlungsbetrag geringer sein als der Nennbetrag. Die festgelegte(n) Couponzahlung(en) kann bzw. können in diesem Fall die negative Entwicklung des [Basiswerts] [Korbbestandteils mit der schlechtesten Kursentwicklung] und den dadurch erlittenen Kapitalverlust ab einem bestimmten Punkt nicht mehr abfangen und der Inhaber erleidet einen Verlust. Der Verlust entspricht der Differenz zwischen (i) dem für das Produkt aufgewandten Kaufpreis (zuzüglich Transaktionskosten) und (ii) dem Rückzahlungsbetrag zuzüglich der Couponzahlung(en). Dies kann im Extremfall – abgesehen von der bzw. den in der Höhe festgelegten Couponzahlung(en) – bis hin zum Totalverlust des eingesetzten Kapitals führen, sofern der [Basiswert] [Korbbestandteil mit der schlechtesten Kursentwicklung] am Ende der Laufzeit wertlos ist.]</p>
	<p><i>[im Fall von Anleihen (Barrier Reverse Convertibles) mit etwaiger Physischer Lieferung (Produkt Nr. 9) einfügen:</i></p> <p><u>Rückzahlungsbetrag ist auf den Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag entspricht (ohne Berücksichtigung etwaiger Couponzahlungen während der Laufzeit) in jedem Fall maximal dem Nennbetrag.</p> <p><u>Totalverlustrisiko</u></p> <p>Sofern ein Barrier Event eingetreten ist [und das Endlevel das Anfangslevel erreicht oder unterschreitet], sehen die Produkte eine physische Lieferung des [Basiswerts] [Korbbestandteils mit der schlechtesten Kursentwicklung] vor. Sofern die Tilgung der Produkte durch physische Lieferung des [Basiswerts] [Korbbestandteils mit der schlechtesten Kursentwicklung] erfolgt, ist zu beachten, dass der Gegenwert der gelieferten [Basiswerte] [Korbbestandteile] in der Regel geringer als der Nennbetrag ist. Die festgelegte(n) Couponzahlung(en) kann bzw. können in diesem Fall die negative Entwicklung des [Basiswerts] [Korbbestandteils mit der schlechtesten Kursentwicklung] und den dadurch erlittenen Kapitalverlust ab einem bestimmten Punkt nicht mehr abfangen und der Inhaber erleidet einen Verlust. Der Verlust entspricht der Differenz zwischen (i) dem für das Produkt aufgewandten Kaufpreis (zuzüglich Transaktionskosten) und (ii) dem Gegenwert der gelieferten [Basiswerte] [Korbbestandteile] zuzüglich der Couponzahlung(en). Dies kann im Extremfall – abgesehen von der bzw. den in der Höhe festgelegten Couponzahlung(en) – bis hin zum Totalverlust des eingesetzten Kapitals führen, sofern der [Basiswert] [Korbbestandteil] am Ende der</p>



		<p>Laufzeit wertlos ist.]</p>
		<p>[im Fall von Discount Zertifikaten mit Barauszahlung (Produkt Nr. 10) einfügen:</p> <p><u>Rückzahlungsbetrag ist auf den Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag bei Discount Zertifikaten entspricht maximal dem Höchstrückzahlungsbetrag. Das bedeutet, der Inhaber partizipiert nicht an einer über das Cap Level hinausgehenden Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Discount Zertifikaten nach oben hin beschränkt ist.</p> <p><u>Risiko eines Totalverlusts</u></p> <p>Unterhalb des Cap Levels sind Discount Zertifikate mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar. In diesem Fall besteht ein Totalverlustrisiko des Inhabers im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn der Basiswert am Ende der Laufzeit wertlos ist.]</p>
		<p>[im Fall von Discount Zertifikaten mit etwaiger Physischer Lieferung (Produkt Nr. 11) einfügen:</p> <p><u>Rückzahlungsbetrag ist auf den Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag bei Discount Zertifikaten entspricht maximal dem Höchstrückzahlungsbetrag. Das bedeutet, der Inhaber partizipiert nicht an einer über das Cap Level hinausgehenden Entwicklung des Basiswerts, weshalb die Ertragsmöglichkeit bei Discount Zertifikaten nach oben hin beschränkt ist.</p> <p><u>Risiko eines Totalverlusts</u></p> <p>Die Discount Zertifikate sehen eine Tilgung durch physische Lieferung des Basiswerts vor, wenn das Endlevel auf oder unter dem Cap Level notiert. In diesem Fall besteht ein Totalverlustrisiko des Inhabers im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn der Basiswert am Ende der Laufzeit wertlos ist.]</p>
		<p>[im Fall von Express Zertifikaten mit Barauszahlung und ohne Nennbetrag (Produkt Nr. 12) einfügen:</p> <p><u>[Totalverlustrisiko][Verlustrisiko] und Risiken im Hinblick auf die vorzeitige Rückzahlung</u></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte ist davon abhängig, ob an einem Autocall Beobachtungstag ein Autocall Ereignis eingetreten ist.</p> <p>Sofern dieses Ereignis vor dem Verfallstag eintritt, endet die Laufzeit der Produkte vorzeitig und die Produkte werden nach den Bestimmungen der Bedingungen vorzeitig zurückgezahlt. Im Fall einer solchen vorzeitigen Rückzahlung spielt die weitere Wertentwicklung [des Basiswerts][der Korbbestandteile] für den Inhaber keine Rolle mehr.</p> <p>Sofern eine vorzeitige Rückzahlung der Produkte nicht erfolgt ist, ist</p>

		<p>die Höhe des Rückzahlungsbetrags von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängig. [Sofern [[kein [Target One Event] [Lock-In Event], aber] ein Barrier Event eingetreten ist] [die Voraussetzungen für eine Mindest- bzw. Höchstrückzahlung nicht vorliegen], sind die Produkte mit einem Direktinvestment in [den Basiswert][den Korbbestandteil mit der schlechtesten Kurentwicklung] (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar, mit der Folge, dass der Inhaber auch einem dem Direktinvestment vergleichbaren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des Inhabers im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn [der Basiswert][der Korbbestandteil mit der schlechtesten Kursentwicklung] am Ende der Laufzeit wertlos ist.] [Sofern die Voraussetzungen für eine Mindest- bzw. Höchstrückzahlung nicht vorliegen, erhält der Anleger [mindestens] den [Ausgabepreis][Referenzbetrag] multipliziert mit dem Mindestrückzahlungsfaktor. In diesem Fall kann der Rückzahlungsbetrag unter dem [Ausgabepreis][Referenzbetrag] liegen.]</p> <p>Darüber hinaus sind die Produkte dadurch gekennzeichnet, dass der Inhaber an bestimmten Tagen einen Couponbetrag erhalten kann. [Die Zahlung des jeweiligen Couponbetrags ist von der Entwicklung [des Basiswerts][der Korbbestandteile] unabhängig.] [Die Höhe des Couponbetrags ist abhängig von der Entwicklung des Referenzzinssatzes.] [Die Couponzahlung [bzw. die Höhe der Couponzahlung] ist vom Eintritt eines bestimmten Ereignisses [des Basiswerts][der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten eines bestimmten Schwellenwerts an einem bestimmten Tag). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung [bzw. eine niedrigere Couponzahlung] erfolgen. Inhaber sollten beachten, dass sie im Fall einer basiswertabhängigen Couponzahlung gegebenenfalls während der gesamten Laufzeit der Produkte keine Couponzahlung erhalten, sofern die Voraussetzungen an keinem Tag, der für die Bestimmung der Couponzahlung maßgeblich ist, gegeben sind. [Dabei ist zu beachten, dass, jeder maßgebliche Tag gesondert betrachtet wird und eine Nachholung von Zahlungen des Couponbetrags nicht stattfindet.] Für die Wahrscheinlichkeit des Eintritts des Ereignisses, das zum Erhalt des jeweiligen Couponbetrags berechtigt, ist die Volatilität [des Basiswerts][der Korbbestandteile] ein wichtiger Einflussfaktor. Je höher die Volatilität [des Basiswerts][der Korbbestandteile] ist, desto höher ist das Risiko für den Inhaber, dass die Bedingung nicht eintritt und der Inhaber entsprechend keinen Couponbetrag für den jeweiligen Couponzahlungstag erhält.] [Die Höhe der [jeweiligen] Couponzahlung ist [ebenfalls] von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängig. Die Zinszahlung an einem Zinszahlungstermin kann auch null betragen, sofern der Kurs [des Basiswerts] [der Korbbestandteile] an dem entsprechenden Zinsbeobachtungstag auf oder unterhalb des Anfangslevels notiert.]</p> <p>Im Hinblick auf die Couponzahlungen ist [weiterhin] zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem Vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Coupon-</p>
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	<p>zahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p><u>[Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt]</u></p> <p>Der Rückzahlungsbetrag entspricht (ohne Berücksichtigung eines etwaigen Couponbetrags) maximal dem [Ausgabepreis] [Referenzbetrag] (Höchstrückzahlungsbetrag).]</p>
	<p>[im Fall von Express Zertifikaten und/oder Express Anleihen mit Barauszahlung und mit Nennbetrag (Produkt Nr. 13) einfügen:</p> <p><u>[Totalverlustrisiko][Verlustrisiko] und Risiken im Hinblick auf die vorzeitige Rückzahlung]</u></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte ist davon abhängig, ob an einem Autocall Beobachtungstag ein Autocall Ereignis eingetreten ist.</p> <p>Sofern dieses Ereignis vor dem Verfalltag eintritt, endet die Laufzeit der Produkte vorzeitig und die Produkte werden nach den Bestimmungen der Bedingungen vorzeitig zurückgezahlt. Im Fall einer solchen vorzeitigen Rückzahlung spielt die weitere Wertentwicklung [des Basiswerts][der Korbbestandteile] für den Inhaber keine Rolle mehr.</p> <p>[Sofern eine vorzeitige Rückzahlung der Produkte nicht erfolgt ist, ist die Höhe des Rückzahlungsbetrags von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängig [, unter Berücksichtigung eines bestimmten Partizipationsfaktors]. [Sofern die Voraussetzungen für eine Mindest- bzw. Höchstrückzahlung nicht vorliegen, sind die Produkte mit einem Direktinvestment in den [Basiswert][Korbbestandteil mit der schlechtesten Kursentwicklung] (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar, mit der Folge, dass der Inhaber auch einem dem Direktinvestment vergleichbaren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des Inhabers im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn der [Basiswert][Korbbestandteil mit der schlechtesten Kursentwicklung] am Ende der Laufzeit wertlos ist.] [Im Fall einer negativen Entwicklung des [Basiswerts] [maßgeblichen Korbbestandteils] ist der Inhaber einem Verlustrisiko ausgesetzt. Abhängig von der Höhe des maßgeblichen Partizipationsfaktor kann der Rückzahlungsbetrag nahezu null (0) betragen.] [Sofern die Voraussetzungen für eine Mindest- bzw. Höchstrückzahlung nicht vorliegen, erhält der Anleger den [Nennbetrag][Ausgabepreis] multipliziert mit dem Mindestrückzahlungsfaktor. In diesem Fall kann der Rückzahlungsbetrag unter dem [Nennbetrag][Ausgabepreis] liegen.]] [Sofern eine vorzeitige Rückzahlung der Produkte nicht erfolgt ist, erhält der Anleger den [Nennbetrag] [Ausgabepreis] multipliziert mit dem Mindestrückzahlungsfaktor. Dieser Betrag kann geringer als der [Nennbetrag] [Ausgabepreis] sein.]</p> <p>Darüber hinaus sind die Produkte dadurch gekennzeichnet, dass der Inhaber an bestimmten Tagen einen Couponbetrag erhalten kann. [Die Zahlung des jeweiligen Couponbetrags ist von der Entwicklung [des Basiswerts][der Korbbestandteile] unabhängig.] [Die Couponzahlung</p>

	<p>ist vom Eintritt eines bestimmten Ereignisses [des Basiswerts][der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten eines bestimmten Schwellenwerts an einem bestimmten Tag). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen. Inhaber sollten beachten, dass sie im Fall einer basiswertabhängigen Couponzahlung gegebenenfalls während der gesamten Laufzeit der Produkte keine Couponzahlung erhalten, sofern die Voraussetzungen an keinem Tag, der für die Bestimmung der Couponzahlung maßgeblich ist, gegeben sind.] [Dabei ist zu beachten, dass, jeder maßgebliche Tag gesondert betrachtet wird und eine Nachholung von Zahlungen des Couponbetrags nicht stattfindet.] Für die Wahrscheinlichkeit des Eintritts des Ereignisses, das zum Erhalt des jeweiligen Couponbetrags berechtigt, ist die Volatilität [des Basiswerts][der Korbbestandteile] ein wichtiger Einflussfaktor. Je höher die Volatilität [des Basiswerts][der Korbbestandteile] ist, desto höher ist das Risiko für den Inhaber, dass die Bedingung nicht eintritt und der Inhaber entsprechend keinen Couponbetrag für den jeweiligen Couponzahlungstag erhält.]</p> <p>Im Hinblick auf die Couponzahlungen ist [weiterhin] zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem Vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p><u><i>[Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt]</i></u></p> <p>Der Rückzahlungsbetrag entspricht (ohne Berücksichtigung eines etwaigen Couponbetrags) maximal dem [Nennbetrag] [Ausgabepreis] (Höchstrückzahlungsbetrag).]</p>
	<p><i>[im Fall von Tracker Zertifikaten mit Barauszahlung (Produkt Nr. 14) einfügen:</i></p> <p><u><i>Risiko eines Totalverlusts</i></u></p> <p>[Tracker Zertifikate bezogen auf einen einzelnen Basiswert sind mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar, mit der Folge, dass der Inhaber auch einem dem Direktinvestment vergleichbaren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des eingesetzten Kapitals für den Fall, dass der Basiswert am Ende der Laufzeit wertlos ist.][Tracker Zertifikate bezogen auf einen Korb als Basiswert spiegeln die Preisentwicklung der im Basiswert enthaltenen Korbbestandteile wider und die Produkte sind mit einer Direktanlage in die Korbbestandteile vergleichbar. Ein Totalverlustrisiko des eingesetzten Kapitals tritt dann ein, wenn die Endlevel sämtlicher Korbbestandteile am Ende der Laufzeit bei null liegen.]</p> <p><u><i>[Risikofaktoren im Hinblick auf die Verwaltungsgebühr]</i></u></p> <p>Von dem zu zahlenden Rückzahlungsbetrag wird eine Verwaltungsgebühr in einer bestimmten Höhe in Abzug gebracht.</p> <p>Es ist zu beachten, dass eine Verwaltungsgebühr nicht nur den gegebene-</p>

		<p>nenfalls von der Emittentin zu zahlenden Rückzahlungsbetrag mindert, sondern auch während der Laufzeit der Produkte ihren Wert im Sekundärmarkt mindert. Bei den für die Produkte im Sekundärmarkt gestellten An- und Verkaufspreisen wird eine solche Verwaltungsgebühr rechnerisch entsprechend der bereits abgelaufenen Laufzeit der Produkte in die jeweiligen Preise miteinbezogen.</p> <p>Die Emittentin kann zu einer Anpassung der Höhe der Verwaltungsgebühr während der Laufzeit der Produkte berechtigt sein. Bei einer Verwaltungsgebühr größer als null (0) wird sich die Verwaltungsgebühr umso stärker auswirken, je länger die Verwaltungsgebühr während der Haltedauer der Produkte berücksichtigt wird.]</p> <p><u>[Rendite- und Wiederanlagerisiko bei ordentlicher bzw. außerordentlicher Kündigung durch die Emittentin</u></p> <p>Inhaber sollten beachten, dass die Laufzeit der Produkte durch eine ordentliche oder eine außerordentliche Kündigung der Emittentin vorzeitig beendet werden kann. Im Fall einer Kündigung trägt der Inhaber das Risiko, dass seine Erwartungen auf einen Wertzuwachs der Produkte aufgrund der vorzeitigen Laufzeitbeendigung nicht mehr erfüllt werden können. Zudem ist im Fall einer Kündigung zu berücksichtigen, dass der Inhaber das Wiederanlagerisiko trägt. Dies bedeutet, dass er den durch die Emittentin im Fall einer Kündigung zu zahlenden Kündigungsbetrag möglicherweise nur zu ungünstigeren Marktkonditionen wiederanlegen kann als denen, die beim Erwerb des Produkts vorlagen.]]</p>
		<p>[im Fall von Open End Tracker Zertifikaten mit Barauszahlung (Produkt Nr. 15) einfügen:</p> <p><u>Risikofaktoren im Hinblick auf die unbestimmte Laufzeit der Produkte bzw. im Hinblick auf die Kündigungsmöglichkeit der Emittentin</u></p> <p>Die Produkte sind nicht mit einer festgelegten Laufzeitbegrenzung ausgestattet (Open End). Die Laufzeit der Produkte endet entweder (i) durch Ausübung der Produkte durch die Inhaber oder (ii) durch ordentliche Kündigung durch die Emittentin oder (iii) durch außerordentliche Kündigung durch die Emittentin.</p> <p>Die Produkte können während der Laufzeit durch den Inhaber zu bestimmten Terminen durch Abgabe einer Einlösungserklärung ausgeübt werden. Der Rückzahlungsbetrag bei ausgeübten Produkten wird auf Grundlage des Endlevels des Basiswerts an dem betreffenden Einlösungstermin berechnet.</p> <p>Die Emittentin ist berechtigt, die Produkte durch Bekanntmachung gemäß den Bedingungen ordentlich zu kündigen. Es ist zu beachten, dass die Emittentin hinsichtlich der Ausübung ihres Kündigungsrechts darüber hinaus keinen Bedingungen unterliegt.</p> <p>Die Emittentin ist darüber hinaus berechtigt, die Produkte außerordentlich durch Bekanntmachung zu kündigen, sofern eine Anpassung nicht möglich ist oder wenn gegebenenfalls ein Zusätzlicher Beendigungsgrund vorliegt. Es ist dabei zu beachten, dass die Emittentin ihr</p>

	<p>Kündigungsrecht nach billigem Ermessen ausübt und hinsichtlich der Ausübung ihres Kündigungsrechts keinen Bedingungen unterliegt. Die Ausübung des außerordentlichen Kündigungsrechts durch die Emittentin kann gegebenenfalls kurzfristig erfolgen, so dass der Inhaber unter Umständen keine Möglichkeit mehr hat, sein Produkt am Sekundärmarkt zu verkaufen.</p> <p>Die Ausübung des Kündigungsrechts durch die Emittentin ist in der Regel um so wahrscheinlicher, je höher die Volatilität im Basiswert bzw. je illiquider der Markt in auf den Basiswert bezogenen Finanzinstrumenten (einschließlich des Termin- und Leihemarkts) ist. Aufgrund des Kündigungsrechts der Emittentin können Inhaber nicht darauf vertrauen, dass die Produkte eine unbegrenzte Laufzeit haben. Inhaber sollten daher nicht darauf vertrauen, eine Position in den Produkten über einen längeren Zeitraum halten zu können. Inhaber können weiterhin nicht darauf vertrauen, dass sich der Kurs des Basiswerts rechtzeitig vor einem Kündigungstermin in eine für sie positive Richtung entwickelt.</p> <p><u><i>Rendite- und Wiederanlagerisiko bei ordentlicher bzw. außerordentlicher Kündigung durch die Emittentin</i></u></p> <p>Inhaber sollten beachten, dass die unbegrenzte Laufzeit der Produkte durch eine ordentliche oder eine außerordentliche Kündigung der Emittentin beendet werden kann. Im Fall einer Kündigung trägt der Inhaber das Risiko, dass seine Erwartungen auf einen Wertzuwachs der Produkte aufgrund der Laufzeitbeendigung nicht mehr erfüllt werden können. Zudem ist im Fall einer Kündigung zu berücksichtigen, dass der Inhaber das Wiederanlagerisiko trägt. Dies bedeutet, dass er den durch die Emittentin im Fall einer Kündigung zu zahlenden Kündigungsbetrag möglicherweise nur zu ungünstigeren Marktkonditionen wiederanlegen kann als denen, die beim Erwerb des Produkts vorlagen.</p> <p><u><i>Risiko eines Totalverlusts</i></u></p> <p>Open End Tracker Zertifikate sind mit einem Direktinvestment in den Basiswert (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar, mit der Folge, dass der Inhaber auch einem dem Direktinvestment vergleichbaren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des eingesetzten Kapitals für den Fall, dass der Basiswert am Ende der Laufzeit wertlos ist.</p> <p><u><i>[Risikofaktoren im Hinblick auf die Verwaltungsgebühr</i></u></p> <p>Von dem zu zahlenden Rückzahlungsbetrag wird eine Verwaltungsgebühr in einer bestimmten Höhe in Abzug gebracht.</p> <p>Es ist zu beachten, dass eine Verwaltungsgebühr nicht nur den gegebenenfalls von der Emittentin zu zahlenden Rückzahlungsbetrag mindert, sondern auch während der Laufzeit der Produkte ihren Wert im Sekundärmarkt mindert. Bei den für die Produkte im Sekundärmarkt gestellten An- und Verkaufspreisen wird eine solche Verwaltungsgebühr rechnerisch entsprechend der bereits abgelaufenen Laufzeit der Produkte in die jeweiligen Preise miteinbezogen.</p>
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	<p>Die Emittentin kann zu einer Anpassung der Höhe der Verwaltungsgebühr während der Laufzeit der Produkte berechtigt sein. Bei einer Verwaltungsgebühr größer als null (0) wird sich die Verwaltungsgebühr umso stärker auswirken, je länger die Verwaltungsgebühr während der Haltedauer der Produkte berücksichtigt wird.]]</p>
	<p><i>[im Fall von Express Zertifikaten mit etwaiger Physischer Lieferung und mit Nennbetrag (Produkt Nr. 16) einfügen:</i></p> <p><u>Totalverlustrisiko und Risiken im Hinblick auf die vorzeitige Rückzahlung</u></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte ist davon abhängig, ob an einem Autocall Beobachtungstag ein Autocall Ereignis eingetreten.</p> <p>Sofern dieses Ereignis vor dem Verfalltag eintritt, endet die Laufzeit der Produkte vorzeitig und die Produkte werden nach den Bestimmungen der Bedingungen vorzeitig zurückgezahlt. Im Fall einer solchen vorzeitigen Rückzahlung spielt die weitere Wertentwicklung [des Basiswerts][der Korbbestandteile] für den Inhaber keine Rolle mehr.</p> <p>Sofern eine vorzeitige Rückzahlung der Produkte nicht erfolgt ist, ist die Höhe des Rückzahlungsbetrags bzw. die Art der Tilgung (Barauszahlung oder physische Lieferung) von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängig.</p> <p>Sofern [[(i) ein Barrier Event eingetreten ist [und (ii) das Endlevel auf oder unter dem [Anfangslevel][Ausübungspreis] notiert]] [das Endlevel auf oder unter dem Ausübungspreis notiert], sehen die Produkte eine physische Lieferung des [Basiswerts][Korbbestandteils mit der schlechtesten Kursentwicklung] vor. Sofern die Tilgung der Produkte durch physische Lieferung des [Basiswerts][Korbbestandteils mit der schlechtesten Kursentwicklung] erfolgt, ist zu beachten, dass der Gegenwert der gelieferten [Basiswerte][Korbbestandteile] in der Regel geringer als der Nennbetrag ist. Die etwaigen Couponzahlung(en) kann bzw. können in diesem Fall die negative Entwicklung des [Basiswerts][Korbbestandteils mit der schlechtesten Kursentwicklung] und den dadurch erlittenen Kapitalverlust ab einem bestimmten Punkt nicht mehr abfangen und der Inhaber erleidet einen Verlust. Der Verlust entspricht der Differenz zwischen (i) dem für das Produkt aufgewandten Kaufpreis (zuzüglich Transaktionskosten) und (ii) dem Gegenwert der gelieferten [Basiswerte][Korbbestandteile] zuzüglich der Couponzahlung(en). Dies kann im Extremfall – abgesehen von den etwaigen Couponzahlung(en) – bis hin zum Totalverlust des eingesetzten Kapitals führen, sofern der [Basiswert][Korbbestandteil] am Ende der Laufzeit wertlos ist.</p> <p>Darüber hinaus sind die Produkte dadurch gekennzeichnet, dass der Inhaber an bestimmten Tagen einen Couponbetrag erhalten kann. [Die Zahlung des jeweiligen Couponbetrags ist dabei von der Entwicklung [des Basiswerts][der Korbbestandteile] unabhängig.] [Die Zahlung des jeweiligen Couponbetrags ist dabei vom Eintritt eines bestimmten Er-</p>

	<p>eignisses [des Basiswerts][der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten eines bestimmten Schwellenwerts an einem bestimmten Tag). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen. Inhaber sollten beachten, dass sie im Fall einer basiswertabhängigen Couponzahlung gegebenenfalls während der gesamten Laufzeit der Produkte keine Couponzahlung erhalten, sofern die Voraussetzungen an keinem Tag, der für die Bestimmung der Couponzahlung maßgeblich ist, gegeben sind.] [Dabei ist zu beachten, dass, jeder maßgebliche Tag gesondert betrachtet wird und eine Nachholung von Zahlungen des Couponbetrags nicht stattfindet.] Für die Wahrscheinlichkeit des Eintritts des Ereignisses, das zum Erhalt des jeweiligen Couponbetrags berechtigt, ist die Volatilität [des Basiswerts][der Korbbestandteile] ein wichtiger Einflussfaktor. Je höher die Volatilität [des Basiswerts][der Korbbestandteile] ist, desto höher ist das Risiko für den Inhaber, dass die Bedingung nicht eintritt und der Inhaber entsprechend keinen Couponbetrag für den jeweiligen Couponzahlungstag erhält.]</p> <p>Im Hinblick auf die Couponzahlungen ist [weiterhin] zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem Vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p><u>Rückzahlungsbetrag ist auf den Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag entspricht (ohne Berücksichtigung eines etwaigen Couponbetrags) maximal dem Höchstrückzahlungsbetrag, der dem Nennbetrag entspricht.]</p>
	<p>[im Fall von Express Zertifikaten mit etwaiger Physischer Lieferung und ohne Nennbetrag (Produkt Nr. 17) einfügen:</p> <p><u>Totalverlustrisiko und Risiken im Hinblick auf die vorzeitige Rückzahlung</u></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte ist davon abhängig, ob an einem Autocall Beobachtungstag ein Autocall Ereignis eingetreten.</p> <p>Sofern dieses Ereignis vor dem Verfallstag eintritt, endet die Laufzeit der Produkte vorzeitig und die Produkte werden nach den Bestimmungen der Bedingungen vorzeitig zurückgezahlt. Im Fall einer solchen vorzeitigen Rückzahlung spielt die weitere Wertentwicklung [des Basiswerts][der Korbbestandteile] für den Inhaber keine Rolle mehr.</p> <p>Sofern eine vorzeitige Rückzahlung der Produkte nicht erfolgt ist, ist die Höhe des Rückzahlungsbetrags bzw. die Art der Tilgung (Barauszahlung oder physische Lieferung) von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängig.</p> <p>Sofern [(i) ein Barrier Event eingetreten ist (und (ii) das Endlevel auf oder unter dem [Anfangslevel][Ausübungspreis] notiert)] [das Endlevel auf oder unter dem Ausübungspreis notiert], sehen die Produkte</p>



	<p>eine physische Lieferung des [Basiswerts][Korbbestandteils mit der schlechtesten Kursentwicklung] vor. Sofern die Tilgung der Produkte durch physische Lieferung des [Basiswerts][Korbbestandteils mit der schlechtesten Kursentwicklung] erfolgt, ist zu beachten, dass der Gegenwert der gelieferten [Basiswerte][Korbbestandteile] in der Regel geringer als der Nennbetrag ist. Die etwaigen Couponzahlung(en) kann bzw. können in diesem Fall die negative Entwicklung des [Basiswerts][Korbbestandteils mit der schlechtesten Kursentwicklung] und den dadurch erlittenen Kapitalverlust ab einem bestimmten Punkt nicht mehr abfangen und der Inhaber erleidet einen Verlust. Der Verlust entspricht der Differenz zwischen (i) dem für das Produkt aufgewandten Kaufpreis (zuzüglich Transaktionskosten) und (ii) dem Gegenwert der gelieferten [Basiswerte][Korbbestandteile] zuzüglich der Couponzahlung(en). Dies kann im Extremfall – abgesehen von den etwaigen Couponzahlung(en) – bis hin zum Totalverlust des eingesetzten Kapitals führen, sofern der [Basiswert][Korbbestandteil] am Ende der Laufzeit wertlos ist.</p> <p>Darüber hinaus sind die Produkte dadurch gekennzeichnet, dass der Inhaber an bestimmten Tagen einen Couponbetrag erhalten kann. [Die Zahlung des jeweiligen Couponbetrags ist dabei von der Entwicklung [des Basiswerts][der Korbbestandteile] unabhängig.] [Die Zahlung des jeweiligen Couponbetrags ist dabei vom Eintritt eines bestimmten Ereignisses [des Basiswerts][der Korbbestandteile] abhängig (z.B. Erreichen oder Überschreiten eines bestimmten Schwellenwerts an einem bestimmten Tag). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen. Inhaber sollten beachten, dass sie im Fall einer basiswertabhängigen Couponzahlung gegebenenfalls während der gesamten Laufzeit der Produkte keine Couponzahlung erhalten, sofern die Voraussetzungen an keinem Tag, der für die Bestimmung der Couponzahlung maßgeblich ist, gegeben sind.] [Dabei ist zu beachten, dass, jeder maßgebliche Tag gesondert betrachtet wird und eine Nachholung von Zahlungen des Couponbetrags nicht stattfindet.] Für die Wahrscheinlichkeit des Eintritts des Ereignisses, das zum Erhalt des jeweiligen Couponbetrags berechtigt, ist die Volatilität [des Basiswerts][der Korbbestandteile] ein wichtiger Einflussfaktor. Je höher die Volatilität [des Basiswerts][der Korbbestandteile] ist, desto höher ist das Risiko für den Inhaber, dass die Bedingung nicht eintritt und der Inhaber entsprechend keinen Couponbetrag für den jeweiligen Couponzahlungstag erhält.]</p> <p>Im Hinblick auf die Couponzahlungen ist [weiterhin] zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem Vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p><u><i>Rückzahlungsbetrag ist auf den Höchstrückzahlungsbetrag begrenzt</i></u></p> <p>Der Rückzahlungsbetrag entspricht (ohne Berücksichtigung eines etwaigen Couponbetrags) maximal dem Höchstrückzahlungsbetrag, der dem Nennbetrag entspricht.]</p>
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		<p>[im Fall von Inverse Discount Zertifikaten mit Barauszahlung (Produkt Nr. 18) einfügen:</p> <p><u>Rückzahlungsbetrag ist auf den Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag bei Inverse Discount Zertifikaten entspricht maximal dem Höchstrückzahlungsbetrag, weshalb die Ertragsmöglichkeit bei Inverse Discount Zertifikaten beschränkt ist.</p> <p><u>Risiko eines Totalverlusts</u></p> <p>Anleger sollten beachten, dass sie das Risiko einer für sie ungünstigen Wertentwicklung des Basiswerts, nämlich eines Anstiegs des Basiswerts, tragen. In dieser Konstellation kann es für den Anleger zu Verlusten kommen. Im schlimmsten Fall erleidet der Anleger einen Totalverlust des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten, der dann eintritt, wenn das Endlevel auf oder über dem Inverse Level notiert.]</p>
		<p>[im Fall von Master Discount Zertifikaten mit Barauszahlung (Produkt Nr. 19) einfügen:</p> <p><u>Rückzahlungsbetrag ist auf den Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag bei Master Discount Zertifikaten entspricht maximal dem Höchstrückzahlungsbetrag, weshalb die Ertragsmöglichkeit bei Master Discount Zertifikaten nach oben hin beschränkt ist.</p> <p><u>Risiko eines Totalverlusts</u></p> <p>Anleger sollten beachten, dass die Investition in das Produkt mit einem Direktinvestment in den jeweiligen Basiswert und somit in die dem Produkt zugrundeliegenden Korbbestandteile (ohne Berücksichtigung eventueller Dividendenzahlungen) vergleichbar ist. Sofern ein Korbbestandteil wertlos wird, erleidet der Anleger einen Verlust in Höhe des Korbbestandteils unter Berücksichtigung der Anzahl je Korbbestandteile; aufgrund der Einzelbetrachtung der Korbbestandteile und der <b>jeweiligen Cap Level</b> kann ein solcher Verlust nicht durch die Wertentwicklung der übrigen Korbbestandteile kompensiert werden. Sofern alle Korbbestandteile wertlos werden, ist der Anleger somit dem Risiko eines <b>Totalverlustes</b> des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten ausgesetzt. <b>Zu beachten ist zudem, dass das Cap Level unter dem Anfangslevel liegen kann. In diesem Fall ist es ausgeschlossen, dass der Anleger an einer Wertsteigerung des Korbbestandteils partizipiert.]</b></p>
		<p>[im Fall von Express Zertifikaten mit Barauszahlung und mit Nennbetrag und/oder Ausgabepreis sowie unbedingter Mindestrückzahlung (Produkt Nr. 20) einfügen:</p> <p><u>Risiken im Hinblick auf die vorzeitige Rückzahlung und die unbedingte Mindestrückzahlung</u></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte ist davon abhängig, ob an einem Autocall Beobach-</p>

	<p>tungstag ein Autocall Ereignis eingetreten ist.</p> <p>Sofern dieses Ereignis vor dem Verfallstag eintritt, endet die Laufzeit der Produkte vorzeitig und die Produkte werden nach den Bestimmungen der Bedingungen vorzeitig zurückgezahlt. Im Fall einer solchen vorzeitigen Rückzahlung spielt die weitere Wertentwicklung der Korbbestandteile für den Inhaber keine Rolle mehr.</p> <p>[Sofern eine vorzeitige Rückzahlung der Produkte nicht erfolgt ist, ist die Höhe des Rückzahlungsbetrags von der Entwicklung [der Korbbestandteile][des Basiswerts] abhängig. Sofern [das][die] Endlevel [sämtlicher Korbbestandteile][des Basiswerts] auf oder über dem Autocall Trigger Level [liegt][liegen], erhält der Inhaber den [Nennbetrag] [Ausgabepreis]. Sofern dies nicht der Fall ist, erhält der Inhaber den festgelegten Mindestrückzahlungsbetrag, der von der Entwicklung [der Korbbestandteile][des Basiswerts] unabhängig ist.] [Sofern eine vorzeitige Rückzahlung der Produkte nicht erfolgt ist, entspricht der Rückzahlungsbetrag dem Mindestrückzahlungsbetrag.]</p> <p><b>Anleger sollten beachten, dass der Mindestrückzahlungsbetrag gegebenenfalls niedriger sein kann der [Nennbetrag] [Ausgabepreis] bzw. als das für den Erwerb des Produkts eingesetzte Kapital (einschließlich aufgewendeter Transaktionskosten).</b></p> <p>Anleger sollten ebenfalls beachten, dass der Mindestrückzahlungsbetrag gegebenenfalls lediglich im Fall einer Rückzahlung am Laufzeitende Anwendung findet. Die Anleger müssen bereit sein, ihr Produkt bis zum Rückzahlungstag zu halten. Anleger bleiben weiterhin dem Ausfallrisiko der Emittentin ausgesetzt, sodass sie bei einer Zahlungsunfähigkeit der Emittentin ihr gesamtes für den Erwerb der Produkte eingesetztes Kapital (einschließlich aufgewendeter Transaktionskosten) verlieren können.</p> <p>Bei den vorliegenden Produkten ist die Zahlung des Couponbetrags davon abhängig, ob ein Coupon Trigger Event eintritt, d.h. ob [der][die] Referenzkurs[e] [sämtlicher Korbbestandteile][des Basiswerts] an einem Coupon Beobachtungstag das für diesen Tag maßgebliche Coupon Trigger Level [erreicht][erreichen] oder [überschreitet][überschreiten]. Sofern an keinem Coupon Beobachtungstag ein Coupon Trigger Event stattfindet, erhält der Anleger keine Couponzahlung. Im Fall einer vorzeitigen Rückzahlung ist ein Anleger nicht berechtigt, etwaige weitere Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p><i><u>Rückzahlungsbetrag ist auf den Höchstrückzahlungsbetrag begrenzt</u></i></p> <p>Der Rückzahlungsbetrag entspricht (ohne Berücksichtigung eines etwaigen Couponbetrags) maximal dem Höchstrückzahlungsbetrag, der dem [Nennbetrag] [Ausgabepreis] entspricht.]</p>
	<p>[im Fall von Express Zertifikaten mit Barauszahlung und mit Nennbetrag sowie mit Downside-Partizipationsfaktor (Produkt Nr. 21) einfügen:</p> <p><i><u>Risiko eines Totalverlusts</u></i></p>

	<p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte ist davon abhängig, ob an einem Autocall Beobachtungstag ein Autocall Ereignis eingetreten ist.</p> <p>Sofern dieses Ereignis vor dem Verfallstag eintritt, endet die Laufzeit der Produkte vorzeitig und die Produkte werden nach den Bestimmungen der Bedingungen vorzeitig zurückgezahlt. Im Fall einer solchen vorzeitigen Rückzahlung spielt die weitere Wertentwicklung der Korbbestandteile für den Inhaber keine Rolle mehr.</p> <p>Sofern eine vorzeitige Rückzahlung der Produkte nicht erfolgt ist, ist die Höhe des Rückzahlungsbetrags von der Entwicklung der Korbbestandteile abhängig. Sofern die Voraussetzungen für eine Rückzahlung zum Höchstrückzahlungsbetrag nicht vorliegen, <b>nimmt der Inhaber aufgrund des Downside-Partizipationsfaktors überproportional am Wertverlust des Korbbestandteils mit der schlechtesten Kursentwicklung teil, mit der Folge, dass der Inhaber einem im Vergleich zu einem Direktinvestment höheren Verlustrisiko ausgesetzt ist.</b> Aus diesem Grund besteht ein Totalverlustrisiko des Inhabers im Hinblick auf das von ihm eingesetzte Kapital. Auch wenn der Korbbestandteil mit der schlechtesten Kursentwicklung am Ende der Laufzeit größer als null (0) ist, kann dennoch ein Totalverlust eintreten, wenn die Downside Partizipation an dem Wertverlust des Korbbestandteils mit der schlechtesten Wertentwicklung, bis zur Wertlosigkeit des Produkts führt.</p> <p>Darüber hinaus sind die Produkte dadurch gekennzeichnet, dass der Inhaber an bestimmten Tagen einen Couponbetrag erhalten kann. [Die Zahlung des jeweiligen Couponbetrags ist von der Entwicklung der Korbbestandteile unabhängig. [[Die Couponzahlung ist vom Eintritt eines bestimmten Ereignisses der Korbbestandteile abhängig (z.B. Erreichen oder Überschreiten eines bestimmten Schwellenwerts an einem bestimmten Tag). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen. Inhaber sollten beachten, dass sie im Fall einer basiswertabhängigen Couponzahlung gegebenenfalls während der gesamten Laufzeit der Produkte keine Couponzahlung erhalten, sofern die Voraussetzungen an keinem Tag, der für die Bestimmung der Couponzahlung maßgeblich ist, gegeben sind.] [Dabei ist zu beachten, dass jeder maßgebliche Tag gesondert betrachtet wird und eine Nachholung von Zahlungen des Couponbetrags nicht stattfindet.] Für die Wahrscheinlichkeit des Eintritts des Ereignisses, das zum Erhalt des jeweiligen Couponbetrags berechtigt, ist die Volatilität der Korbbestandteile ein wichtiger Einflussfaktor. Je höher die Volatilität der Korbbestandteile ist, desto höher ist das Risiko für den Inhaber, dass die Bedingung nicht eintritt und der Inhaber entsprechend keinen Couponbetrag für den jeweiligen Couponzahlungstag erhält.]</p> <p>Im Hinblick auf die Couponzahlungen ist [weiterhin] zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem Vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Coupon-</p>
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		<p>zahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p><u>Rückzahlungsbetrag ist auf den den Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag entspricht maximal dem Nennbetrag (Höchstrückzahlungsbetrag), weshalb die Ertragsmöglichkeit nach oben hin beschränkt ist.]</p>
		<p>[im Fall von Zertifikaten mit Barauszahlung und mit Nennbetrag sowie unbedingter Mindestrückzahlung und Teilrückzahlungsbeträgen (Produkt Nr. 22) einfügen:</p> <p>Inhaber sollten beachten, dass der Rückzahlungsbetrag maximal dem Mindestrückzahlungsbetrag, der gleichzeitig den Höchstrückzahlungsbetrag darstellt, entspricht. Im Gegensatz zu einem Direktinvestment in die Korbbestandteile partizipiert der Anleger in einem solchen Fall nicht an der positiven Wertentwicklung der Korbbestandteile.</p> <p><b>Der Mindestrückzahlungsbetrag kann gegebenenfalls niedriger sein als der Nennbetrag bzw. als das für den Erwerb des Produkts eingesetzte Kapital (einschließlich aufgewendeter Transaktionskosten).</b></p> <p>Der Mindestrückzahlungsbetrag findet lediglich im Fall einer Rückzahlung am Laufzeitende Anwendung. Anleger müssen bereit sein, ihr Produkt bis zum Rückzahlungstag zu halten. Sofern (i) ein Anleger das Produkt vor dem Rückzahlungstag im Sekundärmarkt verkauft oder (ii) die Produkte vor Laufzeitende zurückgezahlt werden oder (iii) eine mehrere Vorgesehene Handelstage andauernde Marktstörung gemäß den Produktbedingungen eingetreten ist, tritt eine solche Mindestrückzahlung nicht ein. <b>In einem solchen Fall trägt der Anleger das Risiko eines Totalverlustes des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten.</b></p> <p>Anleger bleiben [weiterhin] dem Ausfallrisiko der Emittentin ausgesetzt, sodass sie bei einer Zahlungsunfähigkeit der Emittentin ihr gesamtes für den Erwerb der Produkte eingesetztes Kapital (einschließlich aufgewendeter Transaktionskosten) verlieren können. <b>Unter anderem aus diesem Grund können Produkte mit einer unbedingten Mindestrückzahlung während ihrer Laufzeit zu einem Preis gehandelt werden, der unterhalb des Mindestrückzahlungsbetrages liegt. Anleger sollten daher nicht darauf vertrauen, die erworbenen Produkte jederzeit während ihrer Laufzeit mindestens zum Mindestrückzahlungsbetrag veräußern zu können.</b></p> <p>Darüber hinaus sind die Zertifikate dadurch gekennzeichnet, dass die Zahlung und die Höhe eines Couponbetrags davon abhängt, ob und zu welchem Zeitpunkt ein Coupon Trigger Event eingetreten ist. Sollte bis zum letzten Coupon Beobachtungstag (einschließlich) kein Coupon Trigger Event eingetreten sein, erhält der Anleger während der gesamten Laufzeit des Produktes keine Couponzahlung.</p> <p>Für die Wahrscheinlichkeit des Eintritts eines Coupon Trigger Events ist die Volatilität der Korbbestandteile ein wichtiger Einflussfaktor.</p>

	<p>Dabei ist zu beachten, dass je höher die Volatilität der Korbbestandteile ist, desto höher ist das Risiko für den Anleger, dass kein Coupon Trigger Event eintritt und dementsprechend keine Couponzahlung erfolgt.</p> <p>Falls an keinem Coupon Beobachtungstag ein Coupon Trigger Event eingetreten ist, erhält der Anleger lediglich den Mindestrückzahlungsbetrag. Der Anleger erleidet einen Verlust sofern der Mindestrückzahlungsbetrag geringer ist als das eingesetzte Kapital (einschließlich aufgewendeter Transaktionskosten) für den Erwerb der Produkte.]</p>
	<p><i>[im Fall von Zertifikaten mit Barauszahlung und mit unbedingter Mindestrückzahlung (Produkt Nr. 23) einfügen:</i></p> <p>[Die Höhe des Rückzahlungsbetrags am Laufzeitende hängt von der Kursentwicklung [des Basiswerts] [des Korbbestandteils mit der [schlechtesten] [besten] Kursentwicklung] ab, da der Anleger am Rückzahlungstag eine bei Emission festgelegte Barauszahlung erhält, deren Höhe von der Entwicklung des [Basiswerts] [Korbbestandteils mit der [schlechtesten] [besten] Kursentwicklung] abhängig ist. Der Anleger erhält aber mindestens den Mindestrückzahlungsbetrag.] [Der Rückzahlungsbetrag am Laufzeitende entspricht dem Mindestrückzahlungsbetrag.] <b>[Der Mindestrückzahlungsbetrag kann gegebenenfalls niedriger sein als der [Nennbetrag] [Ausgabepreis] bzw. als das für den Erwerb des Produkts eingesetzte Kapital (einschließlich aufgewendeter Transaktionskosten).]</b></p> <p>Der Mindestrückzahlungsbetrag findet lediglich im Fall einer Rückzahlung am Laufzeitende Anwendung. Die Anleger müssen bereit sein, ihr Produkt bis zum Rückzahlungstag zu halten. Sofern (i) ein Anleger das Produkt vor dem Rückzahlungstag im Sekundärmarkt verkauft oder (ii) die Produkte vor Laufzeitende zurückgezahlt werden oder (iii) eine mehrere Vorgesehene Handelstage andauernde Marktstörung gemäß den Produktbedingungen eingetreten ist, tritt eine solche Mindestrückzahlung nicht ein. <b>In einem solchen Fall trägt der Anleger das Risiko eines Totalverlustes des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten.</b> Anleger bleiben weiterhin dem Ausfallrisiko der Emittentin ausgesetzt, sodass sie bei einer Zahlungsunfähigkeit der Emittentin ihr gesamtes für den Erwerb der Produkte eingesetztes Kapital (einschließlich aufgewendeter Transaktionskosten) verlieren können.</p> <p><b>Unter anderem aus diesem Grund können Produkte mit einer unbedingten Mindestrückzahlung während ihrer Laufzeit zu einem Preis gehandelt werden, der unterhalb des Mindestrückzahlungsbetrages liegt. Anleger sollten daher nicht darauf vertrauen, die erworbenen Produkte jederzeit während ihrer Laufzeit mindestens zum Mindestrückzahlungsbetrag veräußern zu können.</b></p> <p>Der Rückzahlungsbetrag entspricht maximal dem [Nennbetrag] [Ausgabepreis] multipliziert mit dem Höchstrückzahlungsfaktor [unter Berücksichtigung der Entwicklung des maßgeblichen Wechselkurses].</p>

	<p>[Der Inhaber erhält eine Couponzahlung an dem jeweiligen Couponzahlungstag, wenn an dem maßgeblichen Coupon Beobachtungstag ein Coupon Trigger Event eingetreten ist. Sofern kein Coupon Trigger Event an dem maßgeblichen Coupon Beobachtungstag eingetreten ist, erfolgt keine Couponzahlung an dem entsprechenden Couponzahlungstag.]</p>
	<p>[im Fall von Capped Zertifikaten mit Barauszahlung und mit unbedingter Mindestrückzahlung (Produkt Nr. 24) einfügen:</p> <p><u>Risikofaktoren im Hinblick auf die unbedingte Mindestrückzahlung</u></p> <p>Die Produkte werden am Laufzeitende mindestens zu einem im Vorhinein festgelegten Betrag zurückgezahlt. <b>Der Mindestrückzahlungsbetrag kann niedriger sein als der [Nennbetrag][Ausgabepreis] bzw. als das für den Erwerb des Produkts eingesetzte Kapital (einschließlich aufgewendeter Transaktionskosten).</b> Anleger bleiben weiterhin dem Ausfallrisiko der Emittentin ausgesetzt, sodass sie bei einer Zahlungsunfähigkeit der Emittentin ihr gesamtes für den Erwerb der Produkte eingesetztes Kapital (einschließlich aufgewendeter Transaktionskosten) verlieren können.</p> <p>Der Mindestrückzahlungsbetrag findet lediglich im Fall einer Rückzahlung am Laufzeitende Anwendung. Die Anleger müssen bereit sein, ihr Produkt bis zum Rückzahlungstag zu halten. Sofern (i) ein Anleger das Produkt vor dem Rückzahlungstag im Sekundärmarkt verkauft oder (ii) die Produkte vor Laufzeitende zurückgezahlt werden oder (iii) eine mehrere Vorgesehene Handelstage andauernde Marktstörung gemäß den Produktbedingungen eingetreten ist, tritt eine solche Mindestrückzahlung nicht ein. <b>In einem solchen Fall trägt der Anleger das Risiko eines Totalverlustes des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten.</b></p> <p><b>Unter anderem aus diesen Gründen können Produkte mit einer unbedingten Mindestrückzahlung während ihrer Laufzeit zu einem Preis gehandelt werden, der unterhalb des Mindestrückzahlungsbetrages liegt. Anleger sollten daher nicht darauf vertrauen, die erworbenen Produkte jederzeit während ihrer Laufzeit mindestens zum Mindestrückzahlungsbetrag veräußern zu können.</b></p> <p><u>Risikofaktoren im Hinblick auf den Partizipationsfaktor</u></p> <p>Die Anwendbarkeit eines Partizipationsfaktors führt dazu, dass die Produkte zwar wirtschaftlich einer Direktinvestition in den Basiswert ähnlich sind, mit einer solchen jedoch insbesondere deshalb nicht vollständig vergleichbar sind, weil die Inhaber an der entsprechenden Kursentwicklung des Basiswerts nicht im Verhältnis 1:1 sondern in Höhe eines bestimmten Faktors partizipieren. Der Anleger partizipiert, vorbehaltlich der Wertbeeinflussung durch weitere Ausstattungsmerkmale, an eventuellen Wertveränderungen des Basiswerts [unterproportional][überproportional].</p> <p><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag entspricht maximal dem</p>

	<p>Höchstrückzahlungsbetrag, weshalb die Ertragsmöglichkeit nach oben hin beschränkt ist. <b>Anleger partizipieren nicht an einer über das Cap Level hinausgehenden Wertsteigerung des [Basiswerts][Korbbestandteils mit der schlechtesten Kursentwicklung].</b></p>
	<p>[im Fall von Inverse Bonus Zertifikaten mit Barauszahlung (Produkt Nr. 25) einfügen:</p> <p><u>Risiken im Hinblick auf die Wertentwicklung von Inverse Bonus Zertifikaten aufgrund der Reverse-Struktur</u></p> <p>Bei Inverse Bonus Zertifikaten ist die Entwicklung des Werts des Produkts umgekehrt abhängig von der Entwicklung [des Basiswerts][des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung]. Das bedeutet, dass diese Produkte eine positive Beteiligung des Inhabers an einem Wertverlust [des Basiswerts] [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] ermöglichen. Entsprechend verliert ein Inverse Bonus Zertifikat regelmäßig (d.h. unter Nichtberücksichtigung sonstiger Ausstattungsmerkmale und sonstiger für die Preisbildung von Produkten maßgeblicher Faktoren) dann an Wert, wenn der Wert [des Basiswerts] [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] steigt.</p> <p><u>Risiko eines Totalverlusts im Fall eines Barrier Events</u></p> <p>Inhaber sollten beachten, dass im Fall des Eintritts eines Barrier Events der Anspruch auf die Mindestrückzahlung erlischt und der Inhaber 1:1 das Verlustrisiko im Fall eines steigenden Kurses [des Basiswerts] [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] trägt. In diesem Fall besteht ein Totalverlustrisiko für den Inhaber im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn [der Basiswert] [der Korbbestandteil mit der [schlechtesten][besten] Kursentwicklung] am Ende der Laufzeit dem Cap Level entspricht oder dieses überschreitet.</p> <p><u>Beschränkte Ertragsmöglichkeit aufgrund der Reverse-Struktur auch ohne Berücksichtigung eines Caps</u></p> <p>Inhaber sollten beachten, dass die Ertragsmöglichkeit aufgrund der Reverse-Struktur auch ohne Berücksichtigung eines Caps beschränkt ist, da die negative Entwicklung [des Basiswerts] [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] nicht mehr als 100% betragen kann, d.h. der Rückzahlungsbetrag entspricht maximal dem Produkt aus (i) dem Ausgabepreis und (ii) dem Quotienten aus dem Cap Level abzüglich des Endlevels [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] und dem Anfangslevel [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung].]</p>
	<p>[im Fall von Capped Inverse Bonus Zertifikaten mit Barauszahlung (Produkt Nr. 26) einfügen:</p> <p><u>Risiken im Hinblick auf die Wertentwicklung von Capped Inverse Bonus Zertifikaten aufgrund der Reverse-Struktur</u></p>



		<p>Bei Capped Inverse Bonus Zertifikaten ist die Entwicklung des Werts des Produkts umgekehrt abhängig von der Entwicklung [des Basiswerts] [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung]. Das bedeutet, dass diese Produkte eine positive Beteiligung des Inhabers an einem Wertverlust [des Basiswerts] [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] bis zum Bonus Level ermöglichen. Entsprechend verliert ein Capped Inverse Bonus Zertifikat regelmäßig (d.h. unter Nichtberücksichtigung sonstiger Ausstattungsmerkmale und sonstiger für die Preisbildung von Produkten maßgeblicher Faktoren) dann an Wert, wenn der Wert [des Basiswerts] [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] steigt.</p> <p><u><i>Risiko eines Totalverlusts im Fall eines Barrier Events</i></u></p> <p>Inhaber sollten beachten, dass im Fall des Eintritts eines Barrier Events der Anspruch auf die Mindestrückzahlung erlischt und der Inhaber 1:1 das Verlustrisiko im Fall eines steigenden Kurses [des Basiswerts] [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] trägt. In diesem Fall besteht ein Totalverlustrisiko für den Inhaber im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn [der Basiswert] [der Korbbestandteil mit der [schlechtesten][besten] Kursentwicklung] am Ende der Laufzeit dem Cap Level entspricht oder dieses überschreitet.</p> <p><u><i>Rückzahlungsbetrag ist auf einen Höchstrückzahlungsbetrag begrenzt</i></u></p> <p>Der Rückzahlungsbetrag bei Capped Inverse Bonus Zertifikaten entspricht maximal dem [Anfangslevel] [des Korbbestandteils mit der [schlechtesten][besten] Kursentwicklung] [Ausgabepreis] multipliziert mit dem Bonus Level. Dieser Betrag stellt den Höchstbetrag dar, den der Anleger erhalten kann.]</p>
		<p>[im Fall von Mini Future Zertifikaten mit Barauszahlung (Produkt Nr. 27) einfügen:</p> <p><u><i>Risiko eines Totalverlusts bei Eintritt eines Stop-Loss Events</i></u></p> <p>Inhaber von Mini Future Zertifikaten tragen das Risiko, dass die Produkte während ihrer Laufzeit wertlos verfallen, falls ein sogenanntes Stop-Loss Event eingetreten ist. Wenn ein Stop-Loss Event eintritt, endet die Laufzeit der Produkte automatisch und die Produkte werden zu einem Betrag zurückgezahlt, der der Differenz aus [im Fall von Mini Future Long Zertifikaten einfügen: dem Stop-Loss Preis und dem [Aktuellen] Ausübungspreis] [im Fall von Mini Future Short Zertifikaten einfügen: dem [Aktuellen] Ausübungspreis und dem Stop-Loss Preis] unter Berücksichtigung des Ausübungsverhältnisses entspricht. Den Inhabern droht ein Totalverlust des eingesetzten Kapitals, falls es der Emittentin nicht gelingt, die Absicherungsposition zu einem Stop-Loss Preis [im Fall von Mini Future Long Zertifikaten einfügen: oberhalb] [im Fall von Mini Future Short Zertifikaten einfügen: unterhalb] des Ausübungspreises aufzulösen.</p> <p>Inhaber sollten beachten, dass sich der Wert der Produkte im Vergleich</p>

	<p>zu klassischen Optionsscheinen überproportional verringert, wenn sich der Kurs des Basiswerts dem Stop-Loss Level nähert.</p> <p><u>Risiko aufgrund des Hebeleffekts</u> Aufgrund des Hebeleffekts sind die Produkte, verglichen mit einem Direktinvestment in den Basiswert, mit einem überproportionalen Verlustrisiko verbunden.]</p>
	<p>[im Fall von Inverse Express Zertifikaten mit Barauszahlung (Produkt Nr. 28) einfügen:</p> <p><u>Risiken im Hinblick auf die Wertentwicklung von Inverse Express Zertifikaten aufgrund der Reverse-Struktur</u></p> <p>Bei Inverse Express Zertifikaten ist die Entwicklung des Werts des Produkts umgekehrt abhängig von der Entwicklung [des Basiswerts][der Korbbestandteile]. Das bedeutet, dass diese Produkte eine positive Beteiligung des Inhabers an einem Wertverlust [des Basiswerts][der Korbbestandteile] ermöglichen. Entsprechend verliert ein Inverse Express Zertifikat regelmäßig (d.h. unter Nichtberücksichtigung sonstiger Ausstattungsmerkmale und sonstiger für die Preisbildung von Produkten maßgeblicher Faktoren) dann an Wert, wenn der Wert [des Basiswerts][der Korbbestandteile] steigt.</p> <p><u>Totalverlustrisiko und Risiken im Hinblick auf die vorzeitige Rückzahlung</u></p> <p>Die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte ist davon abhängig, ob an einem Autocall Beobachtungstag ein Autocall Ereignis eingetreten ist.</p> <p>Sofern dieses Ereignis vor dem Verfallstag eintritt, endet die Laufzeit der Produkte vorzeitig und die Produkte werden nach den Bestimmungen der Bedingungen vorzeitig zurückgezahlt. Im Fall einer solchen vorzeitigen Rückzahlung spielt die weitere Wertentwicklung [des Basiswerts][der Korbbestandteile] für den Inhaber keine Rolle mehr.</p> <p>Sofern eine vorzeitige Rückzahlung der Produkte nicht erfolgt ist, ist die Höhe des Rückzahlungsbetrags von der Entwicklung [des Basiswerts][der Korbbestandteile] abhängig. Inhaber sollten beachten, dass im Fall des Eintritts eines Barrier Events der Anspruch auf die Mindestrückzahlung erlischt und der Inhaber das Verlustrisiko im Fall eines steigenden Kurses [des Basiswerts][der Korbbestandteile] trägt. In diesem Fall besteht ein Totalverlustrisiko für den Inhaber im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn die Entwicklung [des Basiswerts] [des Korbbestandteils mit der [besten][schlechtesten] Entwicklung] am Ende der Laufzeit 200 % entspricht oder diesen Wert überschreitet.</p> <p>Darüber hinaus sind die Produkte dadurch gekennzeichnet, dass der Inhaber an bestimmten Tagen einen Couponbetrag erhalten kann. [Die Zahlung des jeweiligen Couponbetrags ist von der Entwicklung [des Basiswerts][der Korbbestandteile] unabhängig.] [Die Couponzahlung ist von einem bestimmten Ereignis [des Basiswerts][der Korbbestand-</p>

	<p>teile] abhängig (z.B. Erreichen oder Überschreiten eines bestimmten Schwellenwerts an einem bestimmten Tag). Im Fall des Nichteintritts des Ereignisses würde für den entsprechenden Couponzahlungstag keine Couponzahlung erfolgen. Inhaber sollten beachten, dass sie im Fall einer basiswertabhängigen Couponzahlung gegebenenfalls während der gesamten Laufzeit der Produkte keine Couponzahlung erhalten, sofern die Voraussetzungen an keinem Tag, der für die Bestimmung der Couponzahlung maßgeblich ist, gegeben sind.] [Dabei ist zu beachten, dass, jeder maßgebliche Tag gesondert betrachtet wird und eine Nachholung von Zahlungen des Couponbetrags nicht stattfindet.] Für die Wahrscheinlichkeit des Eintritts des Ereignisses, das zum Erhalt des jeweiligen Couponbetrags berechtigt, ist die Volatilität [des Basiswerts][der Korbbestandteile] ein wichtiger Einflussfaktor. Je höher die Volatilität [des Basiswerts][der Korbbestandteile] ist, desto höher ist das Risiko für den Inhaber, dass die Bedingung nicht eintritt und der Inhaber entsprechend keinen Couponbetrag für den jeweiligen Couponzahlungstag erhält.]</p> <p>Im Hinblick auf die Couponzahlungen ist [weiterhin] zu beachten, dass der Inhaber im Fall einer vorzeitigen Rückzahlung der Produkte noch den Couponbetrag für den dem Vorzeitigen Rückzahlungstag zugeordneten Couponzahlungstag erhält. Er ist aber nicht berechtigt, Couponzahlungen für zukünftige Couponzahlungstage zu verlangen.</p> <p><u>Rückzahlungsbetrag ist auf den Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag entspricht (ohne Berücksichtigung eines etwaigen Couponbetrags) maximal dem [Ausgabepreis][Referenzbetrag] (Höchstrückzahlungsbetrag).]</p>
	<p>[im Fall von Optionsscheinen mit Barauszahlung (Produkt Nr. 29) einfügen:</p> <p><u>Risiko eines Totalverlusts</u></p> <p>Es besteht ein Totalverlustrisiko des Inhabers im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn [das Endlevel [des Korbbestandteils mit der schlechtesten Wertentwicklung]] [der Endwert des Korbs] [die Entwicklung des Basiswerts] [die Entwicklung des Korbbestandteils mit der schlechtesten Wertentwicklung] [die Entwicklung des Korbs] am Ende der Laufzeit auf oder unter dem [Anfangslevel] [Ausübungspreis] (im Fall von Call Optionsscheinen) bzw. auf oder über dem [Anfangslevel] [Ausübungspreis] (im Fall von Put Optionsscheinen) notiert.</p> <p>[im Fall von Optionsscheinen einfügen, die einen Höchstrückzahlungsbetrag vorsehen:</p> <p><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag entspricht maximal dem Höchstbetrag, weshalb die Ertragsmöglichkeit bei den Optionsscheinen nach oben hin beschränkt ist.]</p> <p><u>Risiko aufgrund des Hebeleffekts</u></p>

	<p>Aufgrund des Hebeleffekts sind die Produkte, verglichen mit einem Direktinvestment in den [Basiswert] [[entsprechenden] Korbbestandteil], mit einem überproportionalen Verlustrisiko verbunden.]</p>
	<p>[im Fall von Partizipations-Zertifikaten (Produkt Nr. 30) einfügen:  <u>Risiko eines Totalverlusts bei Eintritt eines Barrier Events</u></p> <p>Inhaber sollten beachten, dass im Fall, dass ein Barrier Event eingetreten ist, das Partizipations-Zertifikat mit einem Direktinvestment in [den Basiswert] [den Korbbestandteil, der sich am [schlechtesten] [besten] entwickelt hat,] [den Korb] (ohne Berücksichtigung von Dividendenzahlungen) vergleichbar ist, mit der Folge, dass der Inhaber auch einem dem Direktinvestment vergleichbaren Verlustrisiko ausgesetzt ist. Aus diesem Grund besteht ein Totalverlustrisiko des Inhabers im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn [der Basiswert] [der Korbbestandteil, der sich am [schlechtesten] [besten] entwickelt hat,] [der Korb] am Ende der Laufzeit wertlos ist.]</p> <p><u>Verlustrisiko</u></p> <p>Die Höhe des Rückzahlungsbetrags zum Ende der Laufzeit hängt von der Entwicklung [des Basiswerts] [des Korbbestandteils, der sich am [schlechtesten] [besten] entwickelt hat,] [des Korbs] (ohne Berücksichtigung von Dividendenzahlungen) ab. Im Fall, dass die Entwicklung [des Basiswerts] [des Korbbestandteils, der sich am [schlechtesten] [besten] entwickelt hat,] [des Korbs] negativ ist, <b>kann der Rückzahlungsbetrag geringer als der [Nennbetrag][Ausgabepreis] bzw. das für den Kauf des Produkts aufgewendete Kapital sein (einschließlich darauf bezogener Transaktionskosten)</b>. [Im Fall einer negativen Entwicklung des [Basiswerts] [maßgeblichen Korbbestandteils] [Korbs] ist der Inhaber einem Verlustrisiko ausgesetzt. Abhängig von der Höhe des maßgeblichen Partizipationsfaktor kann der Rückzahlungsbetrag nahezu null (0) betragen.]]</p> <p><u>Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt</u></p> <p>Der Rückzahlungsbetrag wird den Höchstrückzahlungsbetrag nicht überschreiten, unabhängig davon, ob ein Barrier Event eingetreten ist oder nicht. Dies bedeutet, dass der Inhaber nicht an Preisentwicklungen [des Basiswerts] [des Korbbestandteils der sich am [schlechtesten] [besten] entwickelt hat,] [des Korbs] oberhalb des Cap Levels partizipiert, weshalb die Ertragsmöglichkeit nach oben hin beschränkt ist.]</p> <p><u>Verlustrisiko</u></p> <p>Die Höhe des Rückzahlungsbetrags am Ende der Laufzeit hängt von der Entwicklung der Korbbestandteile ab. Der Rückzahlungsbetrag wird auf Basis der Entwicklungen sämtlicher Korbbestandteile ermittelt, wobei die Entwicklung des sich am besten entwickelnden Korbbestandteils mit dem höchsten Partizipationsfaktor multipliziert wird, die Entwicklung des sich am zweitbesten entwickelnden Korbbestandteils mit dem zweithöchsten Partizipationsfaktor multipliziert wird und die Entwicklung des sich am schlechtesten entwickelnden Korbbestand-</p>

	<p>teils mit dem niedrigsten Partizipationsfaktor multipliziert wird. Aufgrund der Anwendung der Partizipationsfaktoren, nimmt der Anleger nicht 1:1 an der Entwicklung des jeweiligen Korbbestandteils teil, sondern nur in Höhe des maßgeblichen Partizipationsfaktors. Der Anleger erleidet einen Totalverlust des eingesetzten Kapitals, wenn die Entwicklung sämtlicher Korbbestandteile null beträgt..]</p>
	<p>[im Fall von Spread Zertifikaten mit Barauszahlung (Produkt Nr. 31) einfügen:</p> <p><u>Risiko eines Totalverlusts bei Eintritt eines Stop-Loss Events</u></p> <p>Inhaber von Spread Zertifikaten tragen das Risiko, dass die Produkte während ihrer Laufzeit wertlos verfallen, falls ein sogenanntes Stop-Loss Event eingetreten ist. Wenn ein Stop-Loss Event eintritt, endet die Laufzeit der Produkte automatisch und die Produkte werden zu einem Betrag zurückgezahlt, der dem Stop-Loss Rückzahlungsbetrag entspricht, der von der Berechnungsstelle nach billigem Ermessen auf Basis des Preises des Produkts bestimmt wird. Der Stop-Loss Rückzahlungsbetrag kann auch null betragen.</p> <p><u>Risikofaktoren im Hinblick auf die Verwaltungsgebühr</u></p> <p>Von dem zu zahlenden Rückzahlungsbetrag wird eine Verwaltungsgebühr in einer bestimmten Höhe in Abzug gebracht. Es ist zu beachten, dass eine Verwaltungsgebühr nicht nur den gegebenenfalls von der Emittentin zu zahlenden Rückzahlungsbetrag mindert, sondern auch während der Laufzeit der Produkte ihren Wert im Sekundärmarkt mindert. Bei den für die Produkte im Sekundärmarkt gestellten An- und Verkaufspreisen wird eine solche Verwaltungsgebühr rechnerisch entsprechend der bereits abgelaufenen Laufzeit der Produkte in die jeweiligen Preise miteinbezogen.</p> <p>Bei einer Verwaltungsgebühr größer als null (0) wird sich die Verwaltungsgebühr umso stärker auswirken, je länger die Verwaltungsgebühr während der Haltedauer der Produkte berücksichtigt wird.</p> <p><u>Risikofaktoren im Hinblick auf den Anpassungsfaktor</u></p> <p>Zur Berechnung des Rückzahlungsbetrags wird ein bestimmter Anpassungsfaktor zur Anwendung gebracht. Aufgrund der Berücksichtigung des Anpassungsfaktors nimmt der Inhaber nicht 1:1 an der Differenz zwischen der Entwicklung von Korbbestandteil 1 und Korbbestandteil 2 teil, sondern nur proportional entsprechend dem Anpassungsfaktor.]</p>
	<p>[im Fall von Short Partizipations Zertifikaten mit Barauszahlung und mit unbedingter Mindestrückzahlung (Produkt Nr. 32) einfügen:</p> <p><u>Risikofaktoren im Hinblick auf die unbedingte Mindestrückzahlung</u></p> <p>Die Produkte werden am Laufzeitende mindestens zu einem im Vorhinein festgelegten Betrag zurückgezahlt. <b>Der Mindestrückzahlungsbetrag kann niedriger sein als der [Nennbetrag][Ausgabepreis] bzw. als das für den Erwerb des Produkts eingesetzte Kapital (einschließlich aufgewendeter Transaktionskosten).</b> Anleger bleiben weiterhin dem Ausfallrisiko der Emittentin</p>

		<p>ausgesetzt, sodass sie bei einer Zahlungsunfähigkeit der Emittentin ihr gesamtes für den Erwerb der Produkte eingesetztes Kapital (einschließlich aufgewendeter Transaktionskosten) verlieren können.</p> <p>Der Mindestrückzahlungsbetrag findet lediglich im Fall einer Rückzahlung am Laufzeitende Anwendung. Die Anleger müssen bereit sein, ihr Produkt bis zum Rückzahlungstag zu halten. Sofern (i) ein Anleger das Produkt vor dem Rückzahlungstag im Sekundärmarkt verkauft oder (ii) die Produkte vor Laufzeitende zurückgezahlt werden oder (iii) eine mehrere Vorgesehene Handelstage andauernde Marktstörung gemäß den Produktbedingungen eingetreten ist, tritt eine solche Mindestrückzahlung nicht ein. <b>In einem solchen Fall trägt der Anleger das Risiko eines Totalverlustes des eingesetzten Kapitals einschließlich aufgewendeter Transaktionskosten.</b></p> <p><b>Unter anderem aus diesen Gründen können Produkte mit einer unbedingten Mindestrückzahlung während ihrer Laufzeit zu einem Preis gehandelt werden, der unterhalb des Mindestrückzahlungsbetrages liegt. Anleger sollten daher nicht darauf vertrauen, die erworbenen Produkte jederzeit während ihrer Laufzeit mindestens zum Mindestrückzahlungsbetrag veräußern zu können.</b></p> <p><i>Risikofaktoren im Hinblick auf den Partizipationsfaktor</i></p> <p>Die Anwendbarkeit eines Partizipationsfaktors führt dazu, dass die Produkte zwar wirtschaftlich einer Direktinvestition in die negative Entwicklung des [Basiswerts] [sich am [schlechtesten] [besten] entwickelnden Korbbestandteils] ähnlich sind, mit einer solchen jedoch insbesondere deshalb nicht vollständig vergleichbar sind, weil die Inhaber an der entsprechenden negativen Kursentwicklung des Basiswerts nicht im Verhältnis 1:1 sondern in Höhe eines bestimmten Faktors partizipieren. Der Anleger partizipiert, vorbehaltlich der Wertbeeinflussung durch weitere Ausstattungsmerkmale, an eventuellen Wertveränderungen des [Basiswerts][maßgeblichen Korbbestandteils] [unterproportional][überproportional].</p> <p><u>[Rückzahlungsbetrag ist auf Höchstrückzahlungsbetrag begrenzt]</u></p> <p>Der Rückzahlungsbetrag entspricht maximal dem Höchstrückzahlungsbetrag, weshalb die Ertragsmöglichkeit nach oben hin beschränkt ist. <b>Entsprechend partizipieren Anleger unterhalb eines bestimmten Schwellenwerts nicht weiter von der negativen Entwicklung des [Basiswerts] [sich am [schlechtesten] [besten] entwickelnden Korbbestandteils].]</b></p>
		<p>[im Fall von Knock-Out Optionsscheinen (Produkt Nr. 33) einfügen:</p> <p><u>Verlustrisiko</u></p> <p>Es besteht ein Totalverlustrisiko des Inhabers im Hinblick auf das von ihm eingesetzte Kapital. Ein Totalverlust tritt dann ein, wenn [das Endlevel [des sich am [schlechtesten] [besten] entwickelnden Korbbestandteils]] [der Endwert des Korbs] dem [maßgeblichen] Ausübungspreis entspricht [oder diesen [unterschreitet] [überschreitet]].] [Ein Totalverlust tritt auch dann ein, wenn ein Knock-Out Event eingetreten</p>

	<p>ist.) [Der Anleger wird auch dann signifikante Verluste erleiden, wenn ein Knock-Out Event eingetreten ist; in diesem Fall erhält der Anleger nur den [Nennbetrag][Ausgabepreis] multipliziert mit dem Rebate.]</p> <p><i>Preisbeeinflussende Faktoren während der Laufzeit der Knock-Out Optionsscheine</i></p> <p>Der Preis der Knock-Out Optionsscheine während der Laufzeit hängt insbesondere von dem Kurs [des Basiswerts] [der maßgeblichen Korbbestandteile] [des Korbs] während der Laufzeit ab. Grundsätzlich fällt der Preis der Knock-Out Optionsscheine, wenn der Kurs [des Basiswerts] [der maßgeblichen Korbbestandteile] [des Korbs] [fällt][steigt]. Ein [Fallen] [Steigen] hat in der Regel einen überproportional großen Einfluss auf den Preis der Knock-Out Optionsscheine. Daneben gibt es noch weitere Faktoren, wie beispielsweise die Volatilität oder das Zinsniveau, die ebenfalls einen Einfluss auf den Preis der Knock-Out Optionsscheine haben können.</p> <p><i>Risiko aufgrund des Hebeleffekts</i></p> <p>Aufgrund des Hebeleffekts sind die Produkte, verglichen mit einem Direktinvestment in [den Basiswert] [die [maßgeblichen] Korbbestandteile] [den Korb], mit einem überproportionalen Verlustrisiko verbunden.]</p>
	<p>[im Fall von Dual Currency Notes (Produkt Nr. 34) einfügen:</p> <p><i>Verlustrisiko</i></p> <p>Im Fall von Dual Currency Notes entspricht der Rückzahlungsbetrag am Ende der Laufzeit entweder einem Betrag in der Abwicklungswährung, der auf Basis des in der Abwicklungswährung ausgedrückten Nennbetrags festgelegt wird, oder einem Betrag in der Alternativen Währung, der auf Basis des Nennbetrags, umgerechnet in die Alternative Währung, festgelegt wird. Daher sind Anleger dem Risiko ausgesetzt, dass sich der maßgebliche Währungsumrechnungskurs ändert, was sich auf den Ertrag aus den Dual Currency Notes auswirken kann.</p> <p>Anleger können einen Verlust erleiden. Der mögliche Verlust entspricht der Differenz zwischen dem Kapital, das für den Erwerb des Produkts eingesetzt worden ist (einschließlich der Transaktionskosten) und dem Rückzahlungsbetrag. Weiterhin ist der Anleger den emittentenbezogenen Risiken ausgesetzt, d.h. der Anleger kann im Fall der Insolvenz der Emittentin sein gesamtes eingesetztes Kapital (einschließlich der Transaktionskosten) verlieren. Unter anderem aus diesem Grund können Dual Currency Notes während ihrer Laufzeit zu einem Preis unterhalb des Nennbetrags in der Abwicklungswährung gehandelt werden. Anleger sollten daher nicht darauf vertrauen, dass es ihnen zu jedem Zeitpunkt möglich sein wird, ihre Produkte während der Laufzeit zu einem Preis zu verkaufen, der dem Nennbetrag in der Abwicklungswährung entspricht bzw. diesen Betrag überschreitet.]</p>
	<p>[im Fall von Stability Notes (Produkt Nr. 35) einfügen:</p> <p><i>Totalverlustrisiko und Risiken im Hinblick auf die vorzeitige Rückzahlung</i></p>

	<p>Im Fall von Stability Notes ist zu beachten, dass die Höhe des Rückzahlungsbetrags und der Zeitpunkt der Rückzahlung der Produkte davon abhängig ist, ob ein Gap Event eingetreten ist.</p> <p>Sofern dieses Ereignis vor dem Verfalltag eintritt, endet die Laufzeit der Produkte vorzeitig und die Produkte werden nach den Bestimmungen der Bedingungen vorzeitig zurückgezahlt. Im Fall einer solchen vorzeitigen Rückzahlung spielt die weitere Wertentwicklung des Basiswerts für den Inhaber keine Rolle mehr.</p> <p>Der Inhaber kann einen Totalverlust in Bezug auf das investierte Kapital erleiden. Ein Totalverlust tritt ein, wenn ein Gap Event eintritt und der Gap dem Gap Level entspricht oder diesen Wert unterschreitet. Der Inhaber kann auch einen Verlust erleiden, wenn ein Gap Event eintritt und der Gap den Ausübungspreis unterschreitet. In diesem Fall unterschreitet der Rückzahlungsbetrag den [Nennbetrag][Ausgabepreis].</p> <p>Vorausgesetzt, dass kein Gap Event eingetreten ist, erhält der Inhaber einen Couponbetrag [am][an den] maßgeblichen Coupon Zahlungstag[en], der auf Grundlage des Couponsatzes und des [Nennbetrages][Ausgabepreises] bestimmt wird. Die Coupon Zahlung ist unabhängig von der Entwicklung des Basiswerts. Für den Fall, dass ein Gap Event eingetreten ist, erhält der Inhaber keine angefallenen Coupon Zahlungen an dem Vorzeitigen Rückzahlungstag.</p> <p><i><u>Rückzahlungsbetrag ist auf den [Nennbetrag][Ausgabepreis] begrenzt.</u></i></p> <p>Der potentielle Rückzahlungsbetrag der Produkte ist auf den [Nennbetrag][Ausgabepreis] begrenzt (zuzüglich der Coupon Zahlung/en, vorausgesetzt, dass es nicht zu einer Vorzeitigen Rückzahlung gekommen ist).</p> <p><i><u>Risiko aufgrund des Hebeleffekts</u></i></p> <p>Im Fall, dass ein Gap Event eingetreten ist und der Gap über dem Gap Level liegt, wird der Rückzahlungsbetrag auf Basis der Differenz zwischen dem Ausübungspreis und dem Gap unter Berücksichtigung des Hebels festgelegt. In diesem Fall beinhaltet das Produkt aufgrund der Berücksichtigung des Hebels ein überproportionales Verlustrisiko gegenüber einem Direktinvestment in den Basiswert.</p>
	<p><b><u>3. Risikofaktoren im Hinblick auf bestimmte Arten von Basiswerten</u></b></p> <p>Je nachdem welcher Basiswert bzw. welche Basiswerte den Produkten zugrunde liegen, sind die Inhaber Risiken ausgesetzt, welche sich aus der Art des Basiswerts und der Verhaltensweise von dessen Marktpreisen ergeben, da der Rückzahlungsbetrag bzw. der Couponbetrag, den ein Inhaber erhält, von der Wertentwicklung des Basiswerts abhängt. Im Fall einer für den Anleger ungünstigen Entwicklung des Basiswerts, kann der Anleger einen Verlust, bis hin zum Totalverlust des eingesetzten Kapitals (inkl. der Transaktionskosten) erleiden. Die in dem Basisprospekt angelegten Basiswerte unterscheiden sich signifikant in ihrer typischen Preisvolatilität. Inhaber sollten nur in die Produkte investieren, sofern</p>



	<p>sie auch mit dem jeweiligen Basiswert vertraut sind und ein umfassendes Verständnis bezüglich der Art des Basiswerts als solchem und der Markt- und anderweitigen Regeln des Basiswerts haben.</p>
	<p><b><u>4. Risikofaktoren im Hinblick auf Interessenkonflikte</u></b></p> <p><i><u>Interessenkonflikte in Bezug auf den Basiswert</u></i></p> <p>Die Emittentin und andere Gesellschaften der Gruppe betreiben im Rahmen ihrer normalen Geschäftstätigkeit Handel in den Basiswerten bzw. in Bestandteilen des Basiswerts bzw. in darauf bezogenen Options- oder Terminkontrakten und können sich von Zeit zu Zeit für eigene oder fremde Rechnung an Transaktionen beteiligen, die mit den Produkten in Verbindung stehen. Die Emittentin und andere Gesellschaften der Gruppe können ferner Beteiligungen an einzelnen Basiswerten oder in diesen enthaltenen Gesellschaften halten, wodurch Interessenkonflikte im Zusammenhang mit den Produkten entstehen können.</p> <p><i><u>Interessenkonflikte in Bezug auf Ausübung einer anderen Funktion</u></i></p> <p>Zudem können die Emittentin und andere Gesellschaften der Gruppe gegebenenfalls in Bezug auf den Basiswert oder Bestandteile des Basiswerts zusätzlich eine andere Funktion ausüben, zum Beispiel als Ausgabestelle, Berechnungsstelle, Zahl- und/oder Verwaltungsstelle. Daher können hinsichtlich der Pflichten bei der Ermittlung der Kurse der Produkte und anderen damit verbundenen Feststellungen sowohl unter den betreffenden Gesellschaften der Gruppe als auch zwischen diesen und den Anlegern Interessenkonflikte auftreten. Ferner können die Emittentin und andere Gesellschaften der Gruppe in Verbindung mit künftigen Angeboten des Basiswerts oder Bestandteilen des Basiswerts als Konsortialmitglied, als Finanzberater oder als Geschäftsbank fungieren; auch Tätigkeiten dieser Art können Interessenkonflikte mit sich bringen und sich auf den Wert der Produkte auswirken.</p> <p><i><u>Interessenkonflikte in Bezug auf die Vornahme von Absicherungsgeschäften</u></i></p> <p>Die Emittentin kann einen Teil der oder die gesamten Erlöse aus dem Verkauf der Produkte für Absicherungsgeschäfte verwenden. Diese Absicherungsgeschäfte können Einfluss auf den sich am Markt bildenden Kurs der Basiswerte oder der Bestandteile des Basiswerts haben.</p> <p><i><u>Interessenkonflikte in Bezug auf die Emission weiterer derivativer Produkte</u></i></p> <p>Die Emittentin und andere Gesellschaften der Gruppe können weitere derivative Produkte in Bezug auf den Basiswert oder Bestandteile des Basiswerts ausgeben einschließlich solcher, die gleiche oder ähnliche Ausstattungsmerkmale wie die Produkte haben. Die Einführung solcher mit den Produkten im Wettbewerb stehender Produkte kann sich auf den Kurs des Basiswerts bzw. der Bestandteile des Basiswerts und damit auf den Kurs der Produkte auswirken.</p>

		<p><u>Interessenkonflikte in Bezug auf basiswertspezifische Informationen</u></p> <p>Die Emittentin und andere Gesellschaften der Gruppe können nicht-öffentliche Informationen in Bezug auf den Basiswert bzw. Bestandteile des Basiswerts erhalten, sind jedoch nicht zur Weitergabe solcher Informationen an die Inhaber verpflichtet. Zudem können Gesellschaften der Gruppe Research-Berichte in Bezug auf den Basiswert oder Bestandteile des Basiswerts publizieren. Tätigkeiten der genannten Art können bestimmte Interessenkonflikte mit sich bringen und sich auf den Wert der Produkte auswirken.</p> <p><u>Interessenkonflikte in Zusammenhang mit der Festsetzung des Verkaufspreises der Produkte und Provisionszahlungen</u></p> <p>In dem Verkaufspreis für die Produkte kann, gegebenenfalls zusätzlich zu festgesetzten Ausgabeaufschlägen, Verwaltungs- oder anderen Entgelten, ein für den Anleger nicht erkennbarer Aufschlag auf den ursprünglichen mathematischen (“fairen”) Wert der Produkte enthalten sein (die “Marge”). Diese Marge wird von der Emittentin nach ihrem freien Ermessen festgesetzt und kann sich von Aufschlägen unterscheiden, die andere Emittenten für vergleichbare Produkte erheben.</p> <p><u>Interessenkonflikte in Zusammenhang mit dem Market-Making für die Produkte</u></p> <p>Es ist beabsichtigt, dass der Lead Manager oder gegebenenfalls eine dritte Partei unter gewöhnlichen Marktbedingungen regelmäßig Ankaufs- und Verkaufskurse für die Produkte einer Emission stellen wird. Es wird jedoch keinerlei Rechtspflicht hinsichtlich der Höhe oder des Zustandekommens derartiger Kurse übernommen. Es ist zu beachten, dass die Produkte während ihrer Laufzeit gegebenenfalls nicht zu einem bestimmten Zeitpunkt oder einem bestimmten Kurs veräußert werden können.</p> <p><u>Interessen an der Emission beteiligter Dritter</u></p> <p>Die Emittentin kann bei der Emission von Produkten Kooperationspartner und externe Berater einschalten, z.B. für die Zusammenstellung und Anpassungen eines Korbs oder Index. Möglicherweise verfolgen diese Kooperationspartner und Berater eigene Interessen an einer Emission der Emittentin und ihrer hiermit verbundenen Beratungstätigkeit. Ein Interessenkonflikt der Berater kann zur Folge haben, dass sie eine Anlageentscheidung oder Empfehlung nicht im Interesse der Anleger, sondern im Eigeninteresse treffen bzw. abgeben.</p>
<b>Abschnitt E – Angebot</b>		
E.2b	Gründe für das Angebot und Verwendung der Erträge, sofern nicht zur Gewinnerzielung	Entfällt; der Erlös aus dem Verkauf der Produkte wird zur Absicherung der aus der Begebung der Produkte entstehenden Zahlungsverpflichtungen und zu Zwecken der üblichen Geschäftstätigkeit der Emittentin verwendet.
E.3	Beschreibung der An-	Ausgabepreis [für Zeichnungen während der Zeichnungsfrist] [am

	<p>gebotskonditionen</p>	<p>Ausgabetag]: [●] [<i>im Fall von Serien von Produkten, gegebenenfalls Tabelle einfügen: ●</i>]  <i>[im Fall von TCM-besicherten Produkten einfügen: In dem Ausgabepreis sind die Kosten für die Besicherung der TCM-besicherten Produkte enthalten. Diese Kosten betragen zum Zeitpunkt der Begebung der Produkte [●] [zwischen ● und ●].]</i></p> <p>Ausgabetag: [●]</p> <p>[Die Produkte werden während der Zeichnungsfrist, d.h. vom [●] bis einschließlich zum [●], zur Zeichnung angeboten. Die Emittentin behält sich vor, die Zeichnungsfrist vorzeitig zu beenden [bzw. zu verlängern]. Die Emittentin ist nicht verpflichtet, Zeichnungsaufträge anzunehmen. Teilzuteilungen sind möglich (insbesondere bei Überzeichnung). Die Emittentin ist nicht verpflichtet, gezeichnete Produkte zu emittieren.]</p> <p>[<i>gegebenenfalls weitere Informationen zur Beschreibung der Angebotskonditionen einfügen: ●</i>]</p> <p>[●, mit eingetragenem Sitz in in ●, wird als <b>“Italienischer Deal Manager”</b> handeln (<i>“Responsabile del collocamento”</i> wie durch Article 93-bis der Rechtsverordnung n. 58/1998 definiert), für die Zwecke von Arikel 13(2) der CONSOB Verordnung n.11971/1999 (<b>“CONSOB Verordnung bzgl. Emittenten”</b>).]</p>
<p>E.4</p>	<p>Beschreibung aller für die Emission/das Angebot wesentlichen Interessenkonflikte</p>	<p>Die Emittentin und andere Gesellschaften der Gruppe betreiben im Rahmen ihrer normalen Geschäftstätigkeit Handel in den Basiswerten bzw. in Bestandteilen des Basiswerts bzw. in darauf bezogenen Options- oder Terminkontrakten und können sich von Zeit zu Zeit für eigene oder fremde Rechnung an Transaktionen beteiligen, die mit den Produkten in Verbindung stehen. Die Emittentin und andere Gesellschaften der Gruppe können ferner Beteiligungen an einzelnen Basiswerten oder in diesen enthaltenen Gesellschaften halten, wodurch Interessenkonflikte im Zusammenhang mit den Produkten entstehen können.</p> <p>Zudem können die Emittentin und andere Gesellschaften der Gruppe gegebenenfalls in Bezug auf den Basiswert oder Bestandteile des Basiswerts zusätzlich eine andere Funktion ausüben, zum Beispiel als Ausgabestelle, Berechnungsstelle, Zahl- und/oder Verwaltungsstelle. Daher können hinsichtlich der Pflichten bei der Ermittlung der Kurse der Produkte und anderen damit verbundenen Feststellungen sowohl unter den betreffenden Gesellschaften der Gruppe als auch zwischen diesen und den Anlegern Interessenkonflikte auftreten. Ferner können die Emittentin und andere Gesellschaften der Gruppe in Verbindung mit künftigen Angeboten des Basiswerts oder Bestandteilen des Basiswerts als Konsortialmitglied, als Finanzberater oder als Geschäftsbank fungieren; auch Tätigkeiten dieser Art können Interessenkonflikte mit sich bringen und sich auf den Wert der Produkte auswirken.</p> <p>Die Emittentin kann einen Teil der oder die gesamten Erlöse aus dem</p>

		<p>Verkauf der Produkte für Absicherungsgeschäfte verwenden. Diese Absicherungsgeschäfte können Einfluss auf den sich am Markt bildenden Kurs der Basiswerte oder der Bestandteile des Basiswerts haben.</p> <p>Die Emittentin und andere Gesellschaften der Gruppe können weitere derivative Produkte in Bezug auf den Basiswert oder Bestandteile des Basiswerts ausgeben einschließlich solcher, die gleiche oder ähnliche Ausstattungsmerkmale wie die Produkte haben. Die Einführung solcher mit den Produkten im Wettbewerb stehender Produkte kann sich auf den Kurs des Basiswerts bzw. der Bestandteile des Basiswerts und damit auf den Kurs der Produkte auswirken.</p> <p>Die Emittentin und andere Gesellschaften der Gruppe können nicht-öffentliche Informationen in Bezug auf den Basiswert bzw. Bestandteile des Basiswerts erhalten, sind jedoch nicht zur Weitergabe solcher Informationen an die Inhaber verpflichtet. Zudem können Gesellschaften der Gruppe Research-Berichte in Bezug auf den Basiswert oder Bestandteile des Basiswerts publizieren. Tätigkeiten der genannten Art können bestimmte Interessenkonflikte mit sich bringen und sich auf den Wert der Produkte auswirken.</p> <p>In dem Verkaufspreis für die Produkte kann, gegebenenfalls zusätzlich zu festgesetzten Ausgabeaufschlägen, Verwaltungs- oder anderen Entgelten, ein für den Anleger nicht erkennbarer Aufschlag auf den ursprünglichen mathematischen (“fairen”) Wert der Produkte enthalten sein (die “<b>Marge</b>”). Diese Marge wird von der Emittentin nach ihrem freien Ermessen festgesetzt und kann sich von Aufschlägen unterscheiden, die andere Emittenten für vergleichbare Produkte erheben.</p> <p>Es ist beabsichtigt, dass der Lead Manager oder gegebenenfalls eine dritte Partei unter gewöhnlichen Marktbedingungen regelmäßig Ankaufs- und Verkaufskurse für die Produkte einer Emission stellen wird. Es wird jedoch keinerlei Rechtspflicht hinsichtlich der Höhe oder des Zustandekommens derartiger Kurse übernommen. Es ist zu beachten, dass die Produkte während ihrer Laufzeit gegebenenfalls nicht zu einem bestimmten Zeitpunkt oder einem bestimmten Kurs veräußert werden können.</p> <p>Die Emittentin kann bei der Emission von Produkten Kooperationspartner und externe Berater einschalten, z.B. für die Zusammenstellung und Anpassungen eines Korbs oder Index. Möglicherweise verfolgen diese Kooperationspartner und Berater eigene Interessen an einer Emission der Emittentin und ihrer hiermit verbundenen Beratungstätigkeit. Ein Interessenkonflikt der Berater kann zur Folge haben, dass sie eine Anlageentscheidung oder Empfehlung nicht im Interesse der Anleger, sondern im Eigeninteresse treffen bzw. abgeben.</p>
E.7	Schätzung der Ausgaben, die dem Anleger vom Emittenten oder Anbieter in Rechnung	[Entfällt. Von der Emittentin oder dem Lead Manager werden dem Anleger über den Ausgabepreis [(gegebenenfalls zuzüglich Ausgabeaufschlag)] bzw. den Verkaufspreis hinaus keine weiteren Beträge in Rechnung gestellt.]

	gestellt werden	<p>[Von der Emittentin oder dem Lead Manager werden dem Anleger über den Ausgabepreis (gegebenenfalls zuzüglich Ausgabeaufschlag) bzw. den Verkaufspreis hinaus Kosten in Höhe von [●] in Rechnung gestellt.]</p> <p>[Ausgaben neben dem Ausgabe- bzw. Verkaufspreis sind bei dem jeweiligen Vertriebspartner zu erfragen.]</p>
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## II. RISK FACTORS

*Prospective purchasers of the Products which are the subject of the Base Prospectus or the Final Terms should consider the following risk factors described herein which are material to assess the risks associated with the Products when making an investment decision and should make such decision only on the basis of the Base Prospectus as a whole including the documents incorporated by reference, any supplements and the applicable Final Terms.*

*No one should acquire Products without a thorough understanding of the mechanics of the relevant Products and without being aware of the potential risk of loss. Any prospective purchaser of Products should carefully examine whether an investment in the Products is appropriate given his personal circumstances and financial situation and should consult a financial advisor to discuss any questions.*

The risk factors herein are organised into the following sub-sections:

1. Risk factors associated with the Issuer
2. Risk factors associated with all Products
3. Risk factors associated with certain types of Products
4. Risk factors associated with certain types of Underlyings
5. Risk factors associated with conflicts of interest

### **1. Risk factors associated with the Issuer**

The following is a disclosure of risk factors that are material to the specific situation of the Issuer and may affect the Issuer's ability to fulfil its respective obligations as issuer of any issued structured investment products.

The Issuer is exposed to risks resulting primarily from the issuance of structured investment products. The Issuer is exposed to market risks, which result from mismatches between its exposure to equity prices, interest rates, currencies, credit spreads and commodity prices arising from the issuance of structured investment products and the instruments that the Issuer uses to hedge that exposure. It is also exposed to liquidity risks relating to the need to fund hedging activities. The Issuer is exposed to credit risks due to its exposure to trading counterparties and as a result of the investment of the proceeds from the issuance of structured investment products in bonds and other fixed-income instruments. In addition, the Issuer is also exposed to model, operational and reputational risks, as well as potential changes in the regulatory and macro-economic environment and its rating.

*Financial information of the Issuer should not be relied on as evidence of future results.*

As a financial services provider, the business activities of the Issuer are affected by the prevailing market situation. Different risk factors can impair the Issuer's ability to implement business strategies and may have a direct, negative impact on earnings. Accordingly, the Issuer's revenues and earnings are subject to fluctuations. The revenues and earnings figure from a specific period are not evidence of results for any future period. They can vary from one year to the next and may affect the Issuer's ability to achieve its

strategic objectives. Taking into account that the Issuer has only a short financial history this might be of particular relevance.

*The Issuer may not be able to fulfil its obligations due to a deteriorated financial situation. The Issuer may become insolvent.*

The financial situation of the Issuer could deteriorate and may prevent the Issuer from fulfilling its obligations. Investors are therefore exposed to the credit risk of the Issuer. The default or insolvency of the Issuer may lead to a partial or total loss of the claims of investors. The Issuer is subject to the Swiss bank insolvency rules and the Swiss Financial Market Supervisory Authority's ("FINMA") banking insolvency ordinance, which empowers FINMA as the competent authority to apply certain recovery and resolution measures. If FINMA applies such measures this may have a significant negative impact on the investor's rights by suspending, modifying and/or wholly extinguishing obligations of the Issuer under structured investment products and may lead to a partial or total loss of the invested capital.

*The Issuer is exposed to the risk that its valuation and risk measurement model may be incorrect and that its risk management measures may not prove successful.*

Model risk is the risk of financial loss due to inappropriate model assumptions or inadequate model usage. In the Issuer's business, the major model risks arise when models are used to value financial securities and to calculate hedging ratios. The consequence of an inadequate model could be an incorrect valuation leading to incorrect risk measurement and incorrect hedging positions, both of which could result in a financial loss.

The Issuer is exposed to the risk that its risk management and mitigation measures do not prove successful. Management of the Issuer's risks can be very complex given the highly complex nature of many of the products, structured solutions and other operations. The Issuer's risk management strategies and procedures may leave it exposed to unidentified or unanticipated risks. If the measures used to assess and mitigate risks prove insufficient, that may lead to adverse effects on the Issuer's operations and financial condition.

*The Issuer is exposed to market risks arising from open positions in interest rate, currency, commodity, credit, equity and other products which may adversely affect its results of operations.*

Market risk is the risk of loss resulting from adverse movements in the market price or model price of financial assets. The Issuer distinguishes between five types of market risk:

- Equity risk, i.e. the risk of adverse movements in share prices and related derivatives;
- Interest rate risk, i.e. the risk of adverse movements in yield curve and corresponding movements in the valuation of fixed-income based assets;
- Credit spread risk, i.e. the risk that the widening of credit spreads may negatively impact asset prices, credit spread risk relates primarily to the investment portfolio;

## II. RISK FACTORS

- Foreign exchange risk (FX risk), i.e. the risk of adverse movements in currency exchange rates and related derivative instruments; and
- Commodity risk, i.e. the risk of adverse movements in commodity prices and related derivatives.

The Issuer's market risk arises primarily from the issuance of structured products and the related hedging activity. Any risk mitigation strategies of the Issuer can expose the Issuer to remaining sources of risk as the hedge instrument and the position being hedged may not always move in parallel. Interest rate risks and foreign exchange risks may also arise in the normal course of business. The Issuer is also exposed to interest rate risk as a result of its Insurance & Wealth Planning Solutions business. The Issuer gives guarantees to its insurance cooperation partners on minimum returns, and this exposes the Issuer to risks involving falling interest rates and risks involving the increasing volatility of interest rates. Market risk may adversely affect the results of operations of the Issuer.

*The Issuer is exposed to significant and increasing competition which may adversely affect its future results of operations.*

All aspects of the Issuer's business are highly competitive and the competitive conditions are expected to continue to intensify. The Issuer'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 Issuer's future results of operations.

*The Issuer is exposed to the risks relating to its platform partners business which may adversely affect its results of operations.*

The Issuer offers services in connection with development, structuring, distribution, hedging and settlement as well as the market-making and secondary market servicing of structured products to third parties, platform partners, pursuant to cooperation arrangements. The Issuer's platform partners business is based on a novel business model that is largely untested and there may not be sufficient demand to enable the Issuer to achieve meaningful operating income or cash flow or profitable operations.

The Issuer is further exposed to reputational and potentially regulatory risks should one of its platform partner's default which might have a significant impact on the Issuer's operations.

*The Issuer is exposed to the credit risk of its counterparties.*

Credit or default risk is the general risk of financial loss if a counterparty or an issuer of a financial security does not meet its contractual obligations. The Group distinguishes the following credit risks:

- Counterparty credit risk is the risk of the counterparty defaulting on a derivative instrument that has a positive replacement value;
- Issuer risk is the risk of default by the issuer of a debt instrument held as a direct position or as an underlying of a derivative;



- Country risk is the risk of financial loss due to a country-specific event.

The Issuer is exposed to credit risks related to over-the-counter (OTC) derivatives and securities lending and borrowing activities with counterparties as well as through the investment of proceeds from the issuance of structured investment products in bonds or other fixed income instruments.

Large credit risks are primarily with banks and insurance companies as a result of the Issuer's OTC derivatives, securities lending and Insurance & Wealth Planning Solutions business.

*The Issuer is exposed to market liquidity and funding liquidity risks which may adversely affect its ability to operate its business and its future results of operations.*

Since the Issuer hedges its liabilities arising from issued structured investment products through the sale or purchase of derivatives or other financial and non-financial instruments, the Issuer is exposed to the risk that it will be unable to sell or buy such hedging assets at fair value to cover its liabilities for the corresponding structured investment products. The Issuer refers to this risk as market liquidity risk related to outstanding structured investment products. As the product buyback price is linked to the price of unwinding the asset, market liquidity risk related to trading activities is limited.

Furthermore, the Issuer is exposed to funding liquidity and refinancing risks primarily due to its structured product issuances and issuances by its platform partners, for whom the Issuer provides derivative hedges. In addition, the Issuer is required to post collateral in order to secure the obligations relating to certain (collateralized) structured products.

The funding liquidity risk represents the risk that the Issuer will not be able to efficiently meet both expected and unexpected current and future cash flow and collateral needs without impacting either its daily operations or the financial condition of the Issuer.

Funding liquidity risks may realise if the Issuer is not able to implement mitigation measures or if such measures do not prove successful. If the Issuer does not effectively manage its market and funding liquidity, its business and its future results of operations could be negatively affected.

*The Issuer's risk exposure in financial instruments leads to certain risk concentrations which could result in a significant loss.*

The Issuer considers that a risk concentration exists when an individual or group of financial instruments is exposed to changes in the same risk factor, and that exposure could result in a significant loss based on plausible adverse future market developments.

As of 31 December 2018, the Issuer identified seven large exposures (as of 31 December 2017, five large exposures). A large exposure is defined in Article 95 of the Swiss Ordinance concerning Capital Adequacy and Risk Diversification for Banks and Securities Traders (*Eigenmittelverordnung*, ERV) and means

the total exposure to a single counterparty or group of related counterparties amounting to 10 per cent. or more of the corrected and eligible equity capital of the Issuer.

*The Issuer's activities and results of operations may be adversely affected by operational risks.*

Operational risk is the risk of losses occurring due to inadequate or failed internal processes, people and systems or due to external causes. "Losses" can take the form of direct financial losses or regulatory sanctions or foregone revenues, e.g. due to the failure of a service or system. Such events may also lead to reputational damage that could have longer-term financial consequences. Operational risks may adversely affect the Issuer's activities and results of operations.

*The Issuer may be adversely affected by compliance, legal, regulatory, and reputational risks.*

The Issuer operates in an industry that is highly regulated and may be adversely affected by compliance, legal or regulatory risks. Compliance risk and legal risk are the risks arising from violations of, or non-compliance with, laws, rules, regulations, prescribed practices or internal policies and procedures, or the non-enforceability of legal rights, including contractual rights. 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 Issuer to invest in additional resources to ensure compliance.

The Issuer is exposed to the risk of fines, civil financial penalties, payment of damages and the voiding of contracts. Compliance and legal risks can lead to reputational harm, limited business opportunities, reduced expansion potential and an inability to enforce contracts.

Furthermore, the Issuer 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 Issuer operates may adversely affect its business, results of operations and financial condition.

Reputational risk is defined as the potential loss of reputation due to a financial loss or any other real or perceived event with a negative impact on reputation. In particular, this includes the risk arising from any cases of employee misconduct. The Issuer's reputation is critical in maintaining its relationships with clients, investors, regulators and the general public, and is a key focus in its risk management efforts.

*The Issuer may be adversely affected by tax risks.*

Tax risk is defined as the risk of losses arising, in particular, from changes in taxation (derived from tax legislations and decisions by the courts) including the misinterpretation of tax regimes as well as the manner in which they may be applied and enforced. This also applies to new international tax laws that could have a negative impact on the taxation of structured products, making them unattractive for investors. Such tax risk may adversely affect the Issuer's business, results of operations and financial condition.

*The Issuer's liquidity, profitability and businesses may be adversely affected by a reduction in its credit ratings.*

The ratings of Leonteq Securities AG as Issuer should be evaluated independently from similar ratings of other entities, and from the rating, if any, of the debt or derivative securities issued. A credit rating is not a recommendation to buy, sell or hold securities issued or guaranteed by the rated entity and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning rating agency. The Issuer's liquidity, profitability and businesses may be adversely affected by a reduction in its credit ratings.

### **2. Risk factors associated with all Products**

*An investor in the Products should note that he/she may lose its entire investment or part of it.*

The Products are highly risky instruments to invest in. When investing in the Products there is a risk of loss of the invested capital including the related transaction costs. Under certain circumstances it is even possible that the investor may lose all of the capital invested including the related transaction costs.

Prospective investors must decide for themselves whether the Products are a suitable investment for them given their personal circumstances and financial situation. In particular, prospective investors should

- possess sufficient know-how and sufficient experience in order to adequately assess the Products and the risks associated with an investment therein as well as the information contained in the Base Prospectus, any supplements thereto and the respective Final Terms and/or information incorporated by reference into the foregoing documents;
- possess sufficient financial resources and liquidity in order to bear all risks associated with an investment in the Products and also, in the extreme case, a total loss of the capital invested;
- understand the Final Terms of the Products in detail and be familiar with the behaviour of the financial markets; and
- be in a position to assess the possible consequences of economic effects and other factors that may affect the value of the investment (either alone or with the aid of a financial advisor) and to bear the risks associated herewith.

*The Products are risky investment instruments. Compared to other capital investments, the risk of loss – up to the total loss of the invested capital as well as the related transaction costs – is high.*

The Products confer the right of the Holders to receive payment of a redemption amount at maturity of the Products and payment of coupon amounts (provided the Terms and Conditions stipulate such coupon payment) and/or to receive the underlying or a basket component or a reference security related to the underlying or to the basket component (provided the Terms and Conditions stipulate redemption by physical settlement). Claims for delivery of definitive securities are precluded.

The calculation of the redemption amount payable or, in the case of Products with redemption by physical settlement, the number of the Underlying or a basket component or a reference security related to the underlying or to the basket component to be delivered at maturity and, if and to the extent that the Prod-

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ucts have a variable interest/coupon rate, the coupon amounts, may depend on the performance of an underlying and/or the basket components and/or a reference rate during the term. Furthermore, the Products can also relate to a comparison between the performance of multiple basket components contained in one basket.

This means that there is a connection between the economic value of the Products and the economic value of the underlying to which the Products relate. A Product will regularly fall in value (i.e. not taking into account other features and factors relevant for the pricing of Products) if the price of the underlying falls. However, Products can also be designed such that a Product (not taking into account other features and factors relevant for the pricing of Products) falls in value if the price of the underlying rises.

Investors should be aware that there may not be a direct relationship between the market value of the Products and the current price of the underlying since the market value of the Products may also be affected by other factors than the current price of the underlying, such as volatility of the underlying, dividend payments or movements in the general interest rates etc. Therefore, positive changes in the price of the underlying do not necessarily lead to a change in the market value of the Product which is positive for the investor. A depreciation of the Product moreover may even occur if the relevant price of the underlying remains constant. Investors should note that changes in the price of the underlying (or even a situation where an expected price change does not occur) can reduce the value of the Products to a disproportionately high extent and even render them worthless, unless the Products provide for an unconditional minimum redemption amount. In particular, it is not safe to assume that the price of the Products will recover in time in view of the limited life of the Products. There is then the risk of losing **some or all of the capital invested including related transaction costs**. This risk exists regardless of the financial strength of the Issuer.

*The Products may pay fixed or variable interest. In the case of Products with variable interest/coupon payment, Holders should consider that the interest/coupon payments may fall to zero (0) or be dependent on a condition. In the case of Products with a fixed interest/coupon rate, Holders should note that they do not participate in an increase in market interest rates.*

The Products confer the right to a fixed or variable interest/coupon payment, as provided in the applicable Final Terms. In the case of a variable interest/coupon payment, the level of interest/coupon rates or amounts is calculated on the basis of the performance of an Underlying and/or the Basket Component or a Reference Rate.

When investing in a Product that provides for a variable interest/coupon payment, Holders should consider that the interest/coupon payments to be made by the Issuer may fall to zero (0) for one or more interest periods. Holders should insofar furthermore note that a Reference Rate will still form the basis for the calculation of the variable interest/coupon rate (or variable interest/coupon amount) if the Reference Rate is negative. This means that a positive margin – if applicable – may be lost in whole or in part, when such a positive margin is added to a negative Reference Rate.

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Holders should note that in the case of Products with a fixed interest/coupon rate, they do not participate in an increase in market interest rates, and increasing market interest rates, as the case may be, may have a negative impact on the secondary market price of the Products.

*The Products do not, unless expressly provided, yield any current income and especially do not confer any claim to receive dividend payments.*

A Product does not confer any claim to receive dividend payments and therefore, without prejudice to any coupon payments, does not yield any current income. This means that potential losses in value of the Product normally cannot be compensated by current income generated by the Product.

*The investor's individual return depends significantly on the purchase price paid for the Product and the performance of the Product. The risk of losses already exists during the term of a Product.*

The performance of the Products, the value of the redemption amount and – in the case of Products with the possibility of physical settlement – the form of settlement are yet to be determined when issuing the Products. The investor's individual return depends significantly on the purchase price paid for the Product and the performance of the Product. The risk of losses already exists during the term of a Product. Even during the term the value of a Product can be lower than the invested purchase price. If the underlying develops in a direction that is unfavourable for the investor, the investor should not rely on the underlying and thus, the value of the Products then developing in the opposite direction. The investor should rely even less on such expectation if the term of the Product is limited, since the underlying would have to recover by the final fixing date in order to avoid a loss being incurred by the investor.

*The Products may be physically settled and investors will not receive a monetary amount. There is a risk that the delivered Underlying, respectively the delivered basket component or reference securities, may only have a very low value or may, in fact, be worthless. In this case, there is a risk of losses – up to the total loss of the invested capital as well as the related transaction costs. Furthermore, investors bear the issuer and securities risks of the deliverable Underlying.*

If redemption of the Products by physical settlement is stipulated in the Terms and Conditions, investors should consider that upon maturity of the Products the delivery of the underlying or of a basket component may be effected instead of the payment of a monetary amount or, in the case of underlyings or basket components that cannot be delivered (e.g. indices), the delivery of reference securities in respect of the underlying or a basket component. Investors should therefore note that in the case of redemption of the Products by way of delivery they will not receive a monetary amount, but possibly a right in the securities concerned that is transferable in accordance with the terms and conditions of the respective security depository system. Here the number of units of the underlying or a basket component or the reference securities to be delivered is determined by the conversion ratio of the Products or the conversion ratio of the basket component.

In such a case, since investors will be exposed to the specific issuer and securities risks associated with the underlying or basket component or reference security to be delivered, when purchasing the Products they should acquaint themselves with the underlying or basket component or reference security potential-

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ly to be delivered. Investors should therefore not assume that the underlying or basket component or reference security to be delivered after redemption of the Products can be sold at a specific price, in particular not at a price equivalent to the capital used to purchase the Products. In certain circumstances the delivered underlying or basket component or reference security may only have a very low value or may in fact be worthless. In this case the investor runs the risk of losing all of the capital used to purchase the Products (including related transaction costs).

Investors should therefore consider that any fluctuations in the price of the underlying or in the price of the basket component or reference security after the end of the term of the Products will be borne by the Holders until the respective actual delivery. Losses in the value of the underlying or basket component or reference security to be delivered may occur after the end of the term and are to be borne by the Holder. This means that the actual gain or loss can only be determined after delivery of the underlying or the basket component or the reference security.

If the share to be delivered is a registered share, investors should consider that the rights associated with the shares (e.g. participation in the general meeting, exercise of voting rights, etc.) can generally only be exercised by shareholders who are registered in the share register or a comparable official list of shareholders of the company. The obligation of the Issuer to deliver shares is limited to provision of the shares effected with the characteristics and in the form that allow delivery via an exchange and does not cover registration in the share register or list of shareholders. Any claims due to non-fulfilment, in particular rescission or damage claims, are excluded in such cases.

Lastly, it should be noted that should the delivery of the underlying or of the basket component or of the reference security, for whatever reason, be economically or actually impeded or not possible, the Issuer shall then have the right to pay a compensation amount in lieu of delivery of the underlying or the basket component or the reference security.

*Investors bear the credit risk of the Issuer of the Products. The Products are neither secured nor guaranteed by any deposit protection fund or any governmental agency.*

Investors are exposed to the risk of deterioration of the Issuer's financial situation.

Investors bear the credit risk of the Issuer of the Products. In the case of unsecured Products, the Products are unsecured and unsubordinated obligations of the Issuer and shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any obligations for the time being preferred by applicable law and any subordinated obligations. In the case collateralized Products, the Products constitute general contractual obligations of the Issuer and are collateralized in accordance with the Terms and Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.

**In the event of the insolvency of the Issuer, investors in the Products may lose their claim to repayment of the capital invested by them in whole or in part. In the event of the insolvency of the Issuer,**

**any payment claims under the Products are neither secured nor guaranteed by any deposit protection fund or any governmental agency.**

*The collateralization in accordance with the terms of the SIX Swiss Exchange AG «Framework Agreement for Collateral Secured Instruments» (COSI) reduces the issuer default risk only to the extent that the proceeds from the liquidation of collateral are able to meet the investors' claims. To the extent the calculation of the current value of a COSI Product proves to be incorrect, the collateral provided for the COSI Product may be insufficient.*

In the case of collateralized Products it should be noted that collateralized Products ("**COSI Products**") are collateralized in accordance with the terms of the SIX Swiss Exchange AG «Framework Agreement for Collateral Secured Instruments». The Issuer (the "**Collateral Provider**") undertakes to secure the value of the COSI Products at any given time as well as the further claims listed in the Framework Agreement. Security must be provided to SIX Swiss Exchange AG in the form of a regular right of lien under Swiss law. The collateral is booked to a SIX Swiss Exchange AG account with SIX SIS AG. Investors do not themselves have a surety right to the collateral.

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

The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Products rises or the value of the collateral decreases; (ii) in a liquidation event, the collateral cannot be liquidated immediately by SIX Swiss Exchange AG because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Products in a foreign currency according to the Framework Agreement may result in losses for the investor because the current value to be determined for each COSI Product (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Products.

The costs for the service provided by SIX Swiss Exchange AG with respect to the collateralization of COSI Products may be taken into account in pricing a COSI Product and may therefore be borne by the investors, as the case may be.

In case of a liquidation event the payment of the pro-rata share of the net liquidation proceeds to the investor shall be effected by SIX Swiss Exchange AG and the financial intermediaries along the payout chain. Investors bear the risk that possible liquidation proceeds will not or not fully be paid out because of an insolvency of SIX Swiss Exchange AG and/or the financial intermediaries. The possible insolvency of

SIX Swiss Exchange AG and/or the financial intermediaries may bear a solvency risk, to what the Investor is exposed to in case of a liquidation event.

The payment to the investors may be delayed for factual or legal reasons.

To the extent the calculation of the current value of a COSI Product proves to be incorrect, the collateral provided for the COSI Product may be insufficient.

Apart from the primary listing of the COSI Products on SIX Swiss Exchange AG the issuer may apply for a listing or admission to trading on one or more secondary exchanges. All aspects and events related to a listing or admission to trading of the COSI Products on a secondary exchange shall be disregarded under the Framework Agreement. In particular, events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange AG is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a listing or admission to trading of the COSI Products on a secondary exchange is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

*The collateralization in accordance with the terms of the TCM Security Agreement eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. In case the calculation of the Current Value of the product (value of the product set too low prior to liquidation) or the security (value of the security set too high prior to liquidation) may prove to be incorrect, the collateralization of the product may be insufficient. If the terms and conditions underlying the Products provide for a termination right of the Issuer in the event that the TCM Security Agreement is terminated, the Investor bears the return and reinvestment risk if the Issuer exercises its termination right.*

In the case of products which are collateralized by a TCM Security Agreement, it should be noted that such collateralized products ("**TCM Secured Products**") are collateralized in accordance with the relevant TCM Security Agreement between the Issuer (in the function as Issuer and Security Provider), the investor, represented by SIX Repo AG ("**Security Taker**") and SIX SIS AG as custodian and SIX SIS AG as TCM Collateral Agent. The Security Provider undertakes to secure the respective value of the TCM Secured Products and the further claims mentioned in the TCM Security Agreement. The investor shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a pledge according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Current Value of a TCM Secured Product will be valued by the Calculation Agent, provided to the SIX Financial Information AG on each business day will be published on the respective webpage of SIX Financial Information AG. The collateral will be valued several times by the SIX SIS AG on every business day on the basis of the price of the securities and/or exchange rates provided by the SIX Financial Information AG and adjusted.



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Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims.

The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value to be calculated (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

Any costs of the liquidation of the collateral shall, in advance, be covered out of the proceeds of the liquidation of the collateral.

The payment to the Investors may be delayed for factual or legal reasons.

In case the calculation of the Current Value of the product or the security may prove to be incorrect, the collateralization of the product may be insufficient.

The TCM Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The TCM Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

The terms and conditions underlying the Products may provide for a termination right of the Issuer with regard to the Products (in particular in the case that the Products have a term of at least five years) in the event that the TCM Security Agreement is terminated and that due to the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity. In the case the Issuer exercises its termination right, the term of the Products will be early terminated prior to the scheduled maturity and the Holder bears the risk that his expectations with respect to an increase in the value of the Products may no longer be satisfied due to the ending of the term.

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In the case of a termination, it must also be considered that the Holder bears the reinvestment risk. This means that he or she may possibly only be able to reinvest the termination amount paid by the Issuer in the event of a termination on more unfavourable market conditions than those existing when the Product was purchased.

*Investors should consider that price movements of the Underlying (or the non-occurrence of an expected price movement) may decrease the value of the Products disproportionately and even render them worthless and that there is no assurance that in the case of Products with a limited term, the price of the Product will recover in time.*

The prices of the Products are determined based on various factors during their term. In addition to the term of the Products and the redemption amount to be paid as well as the value of any interest granted which may depend on the performance of the underlying, other factors include the creditworthiness of the Issuer in particular.

The Products can be traded on or off-exchange throughout their term. However, the price of the Products is not determined according to the principle of supply and demand, since the intention is that the Issuer, the Lead Manager or a third party, as the case may be, will in its function as Market Maker quote independently calculated bid and offer prices for the Products on the secondary market. This price calculation is performed on the basis of customary pricing models in which the theoretical value of the Products is basically determined on the basis of the value of the underlying and other adjustable parameters. The other parameters may include derivative components, expected income from the underlying (e.g. dividends), interest rates, the term or remaining term of the Product, the volatility of the underlying and the supply and demand situation for hedging instruments. These or other value-determining parameters may lead to a depreciation in value of the Product, even if during the term the underlying develops favourably for the investor (regarding the determination of the selling price, see also "Conflicts of interest related to the determination of the selling price of the Products and commission payments" in Section II.5 of the Base Prospectus).

*Investors should be aware that they may not be able to hedge their exposure from the Products.*

Investors should not rely on their ability to engage in transactions during the term of the Products that will exclude or limit their initial risk. This ability depends on the market conditions and the terms of the Products. Under certain circumstances, it is possible that such transactions can only be executed by investors at unfavourable market prices with the result that the investors may suffer a loss.

*A credit financing of the acquisition of Products significantly increases the risk of loss to investors.*

Investors should note that if their purchase of Products is financed by loans, they will not only incur the losses if their expectations are not realised but will also have to repay the loan and pay interest. This increases the loss risk considerably. Thus, investors should not rely on their ability to repay the loan or pay the interest from the returns on the Products. Instead, investors should examine their financial situation in advance to determine their ability to make interest and loan repayments, if necessary at short notice, in the event that losses are incurred rather than the expected returns.

Transactions of the Issuer or its respective affiliates to hedge the risk relating to the execution and performance of obligations arising out of the Products may have a significant effect on the performance of the Underlying and thus on the Products.

Fluctuations in the price of the underlying and consequently the Products may among other things be attributed to the fact that the Issuer or its respective affiliates (the "**Hedging Entity**") conduct significant volumes of hedging or other types of large transactions in or relating to the underlying. Investors should also note in this respect that, especially in unfavourable conditions (e.g. low liquidity of the underlying), such transactions can have a significant impact on the value of the underlying and/or of the components contained therein and thus on the price of the Products, the level of any redemption amount as well as – in the case of Products which may stipulate a redemption by way of delivery – on the type of redemption and possibly lead to certain barrier levels stipulated in the Terms and Conditions being exceeded or fallen short of.

The Hedging Entity shall execute its trading and hedging activities (including the liquidation and termination of already executed hedging transactions) with due consideration for the effect on the market and consequently to limit its activities in or related to the underlying. In regards to the due consideration for the market impact the Hedging Entity is entitled to suspend or to stop entirely its trading activities in or related to an underlying. This market conduct of the Hedging Entity as well as the limitation of its trading or hedging activities in or related to the underlying may impact the Products, in particular it may lead to

- an occurrence or non-occurrence of a barrier event;
- an extended bid-ask spread; and
- an occurrence of a stop loss event, which could impact the liquidation price negatively and which could even be zero.

Investors should consider that this market conduct of the Hedging Entity respectively the limitations of its trading activities may impact the redemption amount or the liquidation price of the Product negatively and may influence the redemption.

Fees and other transactions costs reduce the chances of the Investor generating a profit from the purchase of the Product.

Commission and other transaction costs which are incurred when buying or selling Products may, especially in conjunction with a low contract value, result in cost burdens which may reduce any returns expected from the Product. Therefore, before purchasing a Product investors should obtain information regarding all costs arising when purchasing and selling the Product.

Investors are exposed to the risk of wrong expectation with respect to the Products' liquidity due to the issue size mentioned in the Final Terms.

The specified size of the offer represents the maximum amount of the Products being offered but does not give any indication as to the volume of the Products being effectively issued. This volume is determined according to the market conditions and may change during the term of the Products. Therefore, investors

should note that it is not possible to predict the liquidity of the Products in the secondary market based on the specified size of the offer.

*Investors in listed Products or in Products linked to listed underlyings and/or basket components are subject to risks arising from any eventual suspension from trading or de-listing from the relevant exchange for reasons not attributable to the Issuer and the Lead Manager and this might have material adverse effects on the value of the Products.*

In the case of listed Products or Products linked to listed underlyings and/or basket components investors should note that applicable exchange rules may stipulate specific rules on permitted underlying of derivatives, including structured products.

It cannot be excluded that during the lifetime of the Product, the underlying and/or the respective basket component is suspended from trading on or de-listed from the relevant exchange, reference market or quotation system for reasons not attributable to the Issuer. In case the underlying and/or the respective basket component of a Product is suspended from trading or de-listed, this might have material adverse effects on the value and tradability of the Product and/or, among other possible consequences, might also lead to the suspension or de-listing of the Product.

In addition, it cannot be excluded that the Products may be suspended from trading on or de-listed from the relevant exchange or quotation system during the lifetime of the respective Product for other reasons.

*The Products may have no liquidity or the market for such Products may be limited and this may adversely impact their value or the ability of the Investor to dispose of them.*

Investors should note that the procurement of price information regarding the Products is impeded if the Products are not or are no longer listed or traded an exchange. Moreover, the liquidity of the Products may be diminished. Restrictions in respect of the purchase and/or sale of the Products in some jurisdictions may also have an impact on the liquidity of the Products.

*Market disruptions, adjustment measures and termination rights may negatively affect the value of the Products.*

Pursuant to the Terms and Conditions, the Issuer and/or the Calculation Agent may determine that a market disruption event has occurred or exists at a certain time. Such an event or the resulting postponement of a date on which the Issuer and/or the Calculation Agent is to establish a price relevant for the Products can impair the value of the Products and/or delay the settlement of the Products or calculations in respect of the underlying and in certain circumstances entitle the Issuer and/or the Calculation Agent to estimate the relevant price of the underlying.

Adjustments will be made in accordance with the Terms and Conditions. In the event of adjustments relating to the underlying it cannot be ruled out that the estimates on which an adjustment was based turn out to be incorrect and that the adjustment turns out to be unfavourable for the investor at a later stage and that due to the adjustment the investor may be in a financially worse position than before an adjustment or than he would be in as a result of a different adjustment.

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Prospective investors should review the Terms and Conditions as to whether and in what way such provisions apply to the Products and what is considered to be a market disruption event or relevant adjustment event.

*In certain circumstances the Issuer has the right of extraordinary termination of the Products. In this case Investors will receive a reasonable market price determined in the reasonable discretion of the Issuer, which may be zero.*

The Issuer may have the right of extraordinary termination in certain circumstances stipulated in the Terms and Conditions of the relevant Final Terms, for example if an adjustment is not possible or upon occurrence of an Additional Termination Event pursuant to the Terms and Conditions. If the Issuer exercises this right of extraordinary termination at short notice, the Holder may no longer be able to sell the Products on the secondary market. If it should exercise such right, the Issuer will redeem the Products at a reasonable market price determined in its reasonable discretion, i.e. in the event of an extraordinary termination there will be no right to payment of any amount provided for in the Terms and Conditions to be calculated on the basis of a redemption formula at the end of the term or for payment of a specified unconditional minimum redemption amount. Investors should note that the determined market price may be zero in the worst case, i.e. the investor may suffer a total loss of the capital invested. In the case of an extraordinary termination there is a reinvestment risk. Reinvestment risk means that the investor may only be able to reinvest the amount to be paid by the Issuer in the event of an extraordinary termination on more unfavourable market terms compared with those existing when the Product was purchased. Furthermore investors bear the risk that their expectations with respect to an increase in the value of the Products can no longer be satisfied due to the early termination of the Products.

*Corrections, supplements or modifications of the Conditions may be detrimental for Investors.*

Investors should note that in certain cases specified in the Terms and Conditions the Issuer is entitled to correct, change or amend provisions in the Terms and Conditions. In this regard it has to be considered that such correction, change or amendment of a provision in the Terms and Conditions may be disadvantageous for the investor compared with the originally stipulated provision.

*Investors are subject to the risk that events which could have a negative impact on the price of the underlying are published after preparation of the Final Terms.*

The information on the underlying contained in the Final Terms consists of extracts or summaries of information relating to the underlying which was publicly available at the date of preparation of the Final Terms. The Issuer does not represent or warrant that all the events which could influence the price of the underlying (and thus the price of the Product) have been publicly announced. If such events are published later or if material future events are published or not published, it cannot be ruled out that such events will have a negative impact on the price of the underlying (and thus on the price of the Product).

Changes in tax law could adversely affect the value and/or the market value of the Products or may change the tax treatment of the relevant Products.

Investors should note that it cannot be excluded that the tax regime applicable to the Products may be changed, also in a manner not foreseeable at the time the Products are issued. A risk of changes in the tax treatment of the Products exists for all relevant jurisdictions. Any statements made in the Base Prospectus regarding the tax treatment of the Products only relate to the purchase of the Products immediately after the issue (primary purchase). Both in the case of primary purchase and if investors purchase the Products later, they should therefore seek advice from a tax advisor about the tax effects in connection with the purchase, holding, exercising or the sale of the Products prior to the purchase. Furthermore, it cannot be excluded that the tax authorities may come to a different conclusion than the Issuer regarding tax treatment when interpreting and applying the relevant tax rules to the investor's investment in the Products.

Holders should note that in the case of a subscription period the Issuer reserves the right to end the subscription period early or to extend it and that the Issuer is not obliged to accept subscription applications or to issue subscribed Products.

The applicable Final Terms may provide for the Products to be offered during a particular subscription period. Holders should note in this case that the Issuer reserves the right to end the subscription period early or to extend it. In the case of an early ending or an extension of the subscription period, the Initial Valuation Date, as the case may be, which determines certain characteristics of the Products, may be postponed along with the Issue Date. The Issuer is not obliged to accept subscription applications. Partial allocations are possible (in particular in the event of oversubscription). The Issuer is not obliged to issue subscribed Products.

Where payments under the Products will be made in a currency which is different from the currency of the Underlying, the Investors are exposed also to the performance of the currency of the Underlying, which cannot be predicted. A currency risk also exists if the account of the investor to which any amount owed is to be credited to is managed in a currency different from the settlement currency of the Product.

If the Products represent a claim that is calculated with reference to a foreign currency, currency unit or unit of account or if the price of the underlying or the basket component(s), as the case may be, is determined in a foreign currency, currency unit or unit of account, the investor's risk of loss not only depends on the development of the value of the underlying or the basket component(s), as the case may be, but also on adverse movements in the value of the foreign currency, currency unit or unit of account. Such developments may additionally increase your risk of loss when

- (i) an unfavourable development in the currency exchange rate concerned results in the value of the purchased Products decreasing accordingly during their term, or
- (ii) the level of the redemption amount possibly to be received on maturity decreases accordingly.

A currency risk also exists if the account of the investor to which any amount owed is to be credited to is managed in a currency different from the settlement currency of the Product and the relevant amount is being converted into the respective currency of the account.

Exchange rates are determined by supply and demand factors on international foreign exchange markets, which are subject to economic factors, speculation and actions by governments and central banks (such as currency controls or restrictions).

*Due to the implementation of the Financial Transaction Tax investors may be liable itself to pay this charge or reimburse a financial institution for the charge, and/or the charge may affect the value of the Products.*

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common Financial Transaction Tax ("**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia. However, Estonia has since stated that it will not participate. The Commission Proposal is currently under review.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Products (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Products where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of Products should therefore note, in particular, that in future any sale, purchase or exchange of the Products might be subject to the FTT. The holder of Products may be liable to itself pay this charge or reimburse a financial institution for the charge, and/or the charge may affect the value of the Products.

Prospective holders of the Products should consult their own tax advisers in relation to the consequences of the FTT associated with subscribing for, purchasing, holding and disposing of the Products.

*Risk of tax withholding due to the legislation affecting dividend equivalent payments (Section 871(m) of the U.S. Internal Revenue Code).*

Products that directly or indirectly reference the performance of United States equities (including an index or basket that includes United States equities) may be subject to withholding tax under Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") Prospective investors should consult their tax advisers regarding the potential application of the Code to the Products.

*Changes in the Issuer's credit rating may affect the value of the Securities.*

The general assessment of the Issuer's creditworthiness may affect the value of the Securities. This assessment generally depends on the ratings assigned to the Issuer or its affiliated companies by rating agencies. As a result, any downgrading of the Issuer's credit rating by a rating agency may have a negative impact on the value of the Securities.

Investors should keep in mind that a rating does not constitute a recommendation to purchase, sell or hold the debt securities issued by the Issuer.

### 3. **Risk factors associated with certain types of Products**

#### ***Product No. 1. Risk factors applicable to Bonus Certificates with Cash Settlement***

##### *Risk of total loss in the case of a Barrier Event*

Investors should note that if a Barrier Event has occurred the claim to the minimum redemption expires and the Bonus Certificate is comparable with a direct investment in the Underlying and/or the best or worst performing Basket Component (irrespective of dividend payments). In this case the investor will be exposed to the risk of a **total loss** of the invested capital including the related transaction costs, arising, if the Underlying and/or the best or worst performing Basket Component is worthless at the end of the term of the Product i.e. if the Final Fixing Level and/or the Final Basket Value is zero.

An important determinant for the probability of the occurrence of a Barrier Event is the volatility of the Underlying and/or the Basket Components. The term "**Volatility**" means the fluctuation margin or price movements of the Underlying and/or the Basket Components. The higher the volatility of an Underlying and/or the Basket Components, the higher the risk to the Holder that the (respective) Barrier will be broken. An increasing probability of a Barrier break tends to result in a declining price of the Product.

#### ***Product No. 2. Risk factors applicable to Bonus Certificates with potential Physical Settlement***

##### *Risk of total loss in the case of a Barrier Event*

Investors should note that if a Barrier Event has occurred the claim to the minimum redemption expires and the Products provide for a physical delivery of the Underlying. In this case the investor will be exposed to the risk of a **total loss** of the invested capital including the related transaction costs, arising, if the Underlying is worthless at the end of the term of the Product.

An important determinant for the probability of the occurrence of a Barrier Event is the volatility of the Underlying. The term "**Volatility**" means the fluctuation margin or price movements of the Underlying. The higher the volatility of an Underlying, the higher the risk to the Holder that the Barrier will be broken. An increasing probability of a Barrier break tends to result in a declining price of the Product.



***Product No. 3. Risk factors applicable to Capped Bonus Certificates with Cash Settlement and with par value***

*Risk of total loss in the case of a Barrier Event*

Investors should note that if a Barrier Event has occurred the claim to the minimum redemption expires and the Capped Bonus Certificate is comparable with a direct investment in the underlying (irrespective of dividend payments). In this case the investor will be exposed to the risk of a **total loss** of the invested capital including the related transaction costs, arising, if the Underlying is worthless at the end of the term of the Product.

An important determinant for the probability of the occurrence of a Barrier Event is the volatility of the Underlying and/or the Basket Components. The term "**Volatility**" means the fluctuation margin or price movements of the Underlying and/or the Basket Components. The higher the volatility of an Underlying and/or the Basket Components, the higher the risk to the Holder that the (respective) Barrier will be broken. An increasing probability of a Barrier break tends to result in a declining price of the Product.

*Redemption Amount is limited to Maximum Redemption Amount*

Irrespective of whether or not a Barrier Event has occurred, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of the Underlying above the Cap Level, with the result that the possible yield on Capped Bonus Certificate has an upper limit.

***Product No. 4. Risk factors applicable to Capped Bonus Certificates with Cash Settlement and without par value***

*Risk of total loss in the case of a Barrier Event*

Investors should note that if a Barrier Event has occurred and, if provided for in the Final Terms, the Final Fixing Level of the Underlying (or the Final Fixing Levels of the Basket Components) reaches or falls below the Initial Fixing Level multiplied by the Bonus Level the claim to the minimum redemption expires and the Capped Bonus Certificate is comparable with a direct investment in the underlying or the Basket Components (irrespective of dividend payments). In this case the investor will be exposed to the risk of a **total loss** of the invested capital including the related transaction costs, arising, if the Final Fixing Level(s) of the underlying is zero (0).

An important determinant for the probability of the occurrence of a Barrier Event is the volatility of the Underlying or the Basket Components. The term "**Volatility**" means the fluctuation margin or price movements of the Underlying or the Basket Components. The higher the volatility of an Underlying or the Basket Components, the higher the risk to the Holder that the Barrier will be broken. An increasing probability of a Barrier break tends to result in a declining price of the Product.

*Redemption Amount is limited to the Maximum Redemption Amount*

Irrespective of whether or not a Barrier Event has occurred, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of

the Underlying or the Basket Components above the Cap Level, with the result that the possible yield on Capped Bonus Certificate has an upper limit.

### ***Product No. 5. Risk factors applicable to Capped Bonus Certificates with potential Physical Settlement***

#### ***Risk of total loss in the case of a Barrier Event***

Investors should note that if a Barrier Event has occurred and, if provided for in the Final Terms, the Final Fixing Level is equal to or below the Issue Price multiplied by the Bonus Level the claim to the minimum redemption expires and the Products provide for a physical delivery of the Underlying. In this case the investor will be exposed to the risk of a **total loss** of the invested capital including the related transaction costs, arising, if the Underlying is worthless at the end of the term of the Product.

An important determinant for the probability of the occurrence of a Barrier Event is the volatility of the Underlying. The term "**Volatility**" means the fluctuation margin or price movements of the Underlying. The higher the volatility of an Underlying, the higher the risk to the Holder that the Barrier will be broken. An increasing probability of a Barrier break tends to result in a declining price of the Product.

#### ***Redemption Amount is limited to the Maximum Redemption Amount***

Irrespective of whether or not a Barrier Event has occurred, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of the Underlying above the Cap Level, with the result that the possible yield on Capped Bonus Certificate has an upper limit.

### ***Product No. 6. Risk factors applicable to Notes (Reverse Convertibles) with Cash Settlement***

#### ***Redemption Amount is limited to the Maximum Redemption Amount***

Holders should consider that the Redemption Amount (regardless of possible coupon payments during the term) will not exceed the Denomination in any case.

#### ***Risk of total loss***

If the Final Fixing Level is equal to or falls below the Strike Level, the Redemption Amount equals the Denomination multiplied by the Performance of the Underlying. In this scenario, the Redemption Amount will generally be lower than the Denomination. This means that from a certain point the fixed coupon payment(s) may no longer be able to offset the negative performance of the Underlying and the capital loss experienced, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the Redemption Amount plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the fixed coupon payment(s) – if the Underlying is worthless at the end of the term.

***Product No. 7. Risk factors applicable to Notes (Reverse Convertibles) with potential Physical Settlement***

***Redemption Amount is limited to the Maximum Redemption Amount***

Holders should consider that the Redemption Amount (regardless of possible coupon payments during the term) will not exceed the Denomination in any case.

***Risk of total loss***

If the Final Fixing Level is equal to or falls below the Strike Level, the Products provide for a physical delivery of the Underlying. In the case of a settlement of the Products by physical delivery of the Underlying, it is to be noted that the equivalent value of the delivered Underlyings is generally lower than the Denomination. This means that from a certain point the fixed coupon payment(s) may no longer be able to offset the negative performance of the Underlying and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the equivalent value of the delivered Underlyings plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the fixed coupon payment(s) – if the Underlying is worthless at the end of the term.

***Product No. 8. Risk factors applicable to Notes (Barrier Reverse Convertibles) with Cash Settlement***

***Redemption Amount is limited to the Maximum Redemption Amount***

Holders should consider that the Redemption Amount (regardless of possible coupon payments during the term) will not exceed the Denomination in any case.

***Risk of total loss***

If a Barrier Event has occurred and, if provided in the Final Terms, the Final Fixing Level is equal to or falls below the Initial Fixing Level, the Redemption Amount equals the Denomination multiplied by the Performance of the Underlying and/or the Denomination multiplied by the performance of the Basket Component with the worst performance. In this scenario, the Redemption Amount will normally be lower than the Denomination. This means that from a certain point the fixed coupon payment(s) may no longer be able to offset the negative performance of the Underlying and/or the Basket Component with the worst performance and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the Redemption Amount plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the fixed coupon payment(s) – if the Underlying and/or the Basket Component with the worst performance is worthless at the end of the term.

***Product No. 9. Risk factors applicable to Notes (Barrier Reverse Convertibles) with potential Physical Settlement***

***Redemption Amount is limited to the Maximum Redemption Amount***

Holders should consider that the Redemption Amount (regardless of possible coupon payments during the term) will not exceed the Denomination in any case.

### Risk of total loss

If a Barrier Event has occurred and, if provided for in the Final Terms, the Final Fixing Level is equal to or falls below the Initial Fixing Level the Products provide for a physical delivery of the Underlying and/or the Basket Component with the Worst Performance. In the case of a settlement of the Products by physical delivery of the Underlying and/or the Basket Component with the Worst Performance, it is to be noted that the equivalent value of the delivered Underlyings and/or Basket Components is generally lower than the Denomination. This means that from a certain point the fixed coupon payment(s) may no longer be able to offset the negative performance of the Underlying and/or the Basket Component with the Worst Performance and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the equivalent value of the delivered Underlyings and/or Basket Components plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the fixed coupon payment(s) – if the Underlying and/or Basket Component is worthless at the end of the term.

### ***Product No. 10. Risk factors applicable to Discount Certificates with Cash Settlement***

#### Redemption Amount is limited to the Maximum Redemption Amount

In the case of Discount Certificates, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of the Underlying above the Cap Level, with the result that the possible yield on Discount Certificates has an upper limit.

### Risk of total loss

Below the Cap Level, Discount Certificates are comparable with a direct investment in the Underlying (without taking into account dividend payments). In this case there is a risk of a total loss of the Holder's invested capital. A total loss will occur if the Underlying is worthless at the end of the term.

### ***Product No. 11. Risk factors applicable to Discount Certificates with potential Physical Settlement***

#### Redemption Amount is limited to the Maximum Redemption Amount

In the case of Discount Certificates, the Redemption Amount will not exceed the Maximum Redemption Amount. This means that the Holder does not participate in a price movement of the Underlying above the Cap Level, with the result that the possible yield on Discount Certificates has an upper limit.

### Risk of total loss

The Discount Certificates provide for provide for a settlement by physical delivery of the Underlying, if the Final Fixing Level is equal to or below the Cap Level. In this case there is a risk of a total loss of the Holder's invested capital. A total loss will occur if the Underlying is worthless at the end of the term.

***Product No. 12. Risk factors applicable to Express Certificates with Cash Settlement and without par value******Risk of (total) loss and risks related to early redemption***

In the case of Express Certificates it should be noted that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event specified in the Conditions has occurred on a Autocall Observation Date.

If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the Underlying or, in the case of a Basket as Underlying, the Basket Components is irrelevant to the Holder.

If there has been no early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the Underlying or, in the case of a Basket as Underlying, the Basket Components. If a Barrier Event has occurred and/or, if provided for in the applicable Final Terms a Target One Event has not occurred, but a Barrier Event has occurred and/or, if provided for in the applicable Final Terms neither the preconditions for a minimum redemption nor a maximum redemption are met, and/or, if provided for in the applicable Final Terms, a Lock-In Event has not occurred, but a Barrier Event has occurred, the Products are comparable to a direct investment in the Underlying (without taking in to account dividend payments) or, in the case of a Basket as Underlying, the Basket Component with the worst performance. As a result, the Holder is also exposed to a risk of loss comparable to the direct investment. Therefore, the Holder bears a risk of total loss with regard to the invested capital. A total loss occurs if the Underlying or, in the case of a Basket as Underlying, the Basket Component with the worst performance is worthless at the end of the term. The respective Final Terms may also provide that the investor receives, if provided for in the applicable Final Terms, at least, the Issue Price and/or the Reference Amount multiplied by the Minimum Redemption Factor, if neither the preconditions for a minimum redemption nor a maximum redemption are met. In this case, the Redemption Amount may be lower than the Issue Price and/or the Reference Amount.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying and/or Basket Components. If provided for in the applicable Final Terms, the amount of the Coupon Amount is dependent of the performance of a Reference Rate. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment and/or the amount of the coupon payment is conditional on the occurrence of a certain event in relation to the Underlying or, in the case of a Basket as Underlying, the Basket Components (e.g. the Underlying or, in the case of a Basket as Underlying, the Basket Components reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no and/or a lower coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment. It should be noted

here that, unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts. The volatility of the Underlying or, in the case of a Basket as Underlying, the Basket Components is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the Underlying or, in the case of a Basket as Underlying, the Basket Components, the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date. If provided for in the applicable Final Terms, also the amount of the respective coupon payment may depend on the development of the Underlying and/or the Basket Components. The coupon payment can be zero, if the price of the Underlying and/or Basket Components is equal to or below the Initial Fixing Level on the respective Coupon Observation Date.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

*Redemption Amount is limited to the Maximum Redemption Amount*

If a maximum redemption provided for in the applicable Final Terms, the Redemption Amount is limited to the Issue Price and/or the Reference Amount (Maximum Redemption Amount).

***Product No. 13. Risk factors applicable to Express Certificates and/or Express Notes with Cash Settlement and with par value***

*Risk of (total) loss and risks related to early redemption*

In the case of Express Certificates and/or Express Notes it should be noted that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event specified in the Conditions has occurred on a Autocall Observation Date.

If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the Underlying or, in the case of a Basket as Underlying, the Basket Components is irrelevant to the Holder.

If there has been no early redemption of the Products, the applicable Final Terms may specify the following alternatives:

- The level of the Redemption Amount is dependent on the price performance of the Underlying and/or, if provided for in the applicable Final Terms, the Basket Components if neither the pre-conditions for a minimum redemption nor maximum redemption are met. In this case the Products are comparable to a direct investment in the Underlying (without taking in to account dividend payments) or, in the case of a Basket as Underlying, the Basket Component with the worst performance. As a result, the Holder is also exposed to a risk of loss comparable to the direct investment. Therefore, the Holder bears a risk of total loss with regard to the invested capital. A to-

tal loss occurs if the Underlying or, in the case of a Basket as Underlying, the Basket Component with the worst performance is worthless at the end of the term.

- The level of the Redemption Amount is dependent on the price performance of the Underlying and/or, if provided for in the applicable Final Terms, the Basket Components taking also into account a certain participation factor. In the case of a negative development of the Underlying and/or the relevant Basket Component, the Holder is exposed to a risk of loss. Depending of the amount of the relevant participation factor the Redemption Amount can be close to zero (0).
- The Holder receives the Denomination and/or, if provided for in the applicable Final Terms, the Issue Price multiplied by the Minimum Redemption Factor in any case or, if provided for in the applicable Final Terms, if neither the preconditions for a minimum redemption nor a maximum redemption are met. In this case, the Redemption Amount may be lower than the Denomination and/or, if provided for in the applicable Final Terms, the Issue Price.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on the occurrence of a certain event in relation to the Underlying or, in the case of a Basket as Underlying, the Basket Components (e.g. the Underlying or, in the case of a Basket as Underlying, the Basket Components reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment. It should be noted here that, unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts. The volatility of the Underlying or, in the case of a Basket as Underlying, the Basket Components is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the Underlying or, in the case of a Basket as Underlying, the Basket Components, the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

### *Redemption Amount is limited to the Maximum Redemption Amount*

If provided for in the applicable Final Terms, the Redemption Amount (without taking into account a possible Coupon Amount) is limited to the Denomination and/or, if provided for in the applicable Final Terms, the Issue Price (Maximum Redemption Amount).

***Product No. 14. Risk factors applicable to Tracker Certificates with Cash Settlement******Risk of total loss***

If the Products are linked to a single underlying the Products are comparable with a direct investment in the Underlying (irrespective of dividend payments). Consequently, the Holder is exposed to a risk of loss comparable to the direct investment. Therefore, there is a risk of total loss with regard to the invested capital if the Underlying is worthless at the end of the term. If the Products are linked to a Basket as Underlying, the Products reflect the development of the Basket Components contained in the Underlying and the Products are comparable with a direct investment in the Basket Components (irrespective of dividend payments). Therefore, there is a risk of total loss with regard to the invested capital if all Basket Components are worthless at the end of the term.

If the applicable Final Terms provide for a participation in dividend payments, this occurs only in the amount of net dividends actually received by the Issuer.

***Risk factors in relation to the Management Fee***

To the extent provided in the applicable Final Terms, a certain Management Fee is deducted from the Redemption Amount payable.

The Management Fee compensates the Issuer or entities associated with the Issuer for costs incurred by it in entering into transactions related to the Underlying on the capital markets, which serve to hedge the fulfilment risks associated with the issuance of the Products ("**Hedging Transactions**").

It should be noted that a Management Fee not only reduces the Redemption Amount payable by the Issuer, but also reduces the value of the Products on the secondary market during their term. Such a Management Fee is incorporated in the calculation of the bid and ask prices for Products on the secondary market according to the portion of the term of the Products that has already expired.

The Issuer may be entitled to adjust the level of the Management Fee during the term of the Products. In the case of a Management Fee greater than zero (0), the effect of the Management Fee will be greater, the longer the holding period in which it applies to the Products.

***Return and reinvestment risk in the case of ordinary or extraordinary termination by the Issuer***

Holder should note that the term of the Products, if provided for in the Final Terms, may be ended prematurely by an ordinary or extraordinary termination by the Issuer. In the case of a termination, the Holder bears the risk that his expectations with respect to an increase in the value of the Products may no longer be satisfied due to the ending of the term. In the case of a termination, it must also be considered that the Holder bears the reinvestment risk. This means that he or she may only be able to reinvest the amount paid by the Issuer in the event of a termination on more unfavourable market terms compared with those existing when the Products was purchased.



### ***Product No. 15. Risk factors applicable to Open End Tracker Certificates with Cash Settlement***

#### ***Risk factors related to the unlimited term of the Products and/or to the Issuer's ability to terminate***

The Products do not have a specified limited term (Open End). The term of the Products ends either (i) on the exercise of the Products by the Holders or (ii) on ordinary termination by the Issuer or (iii) on extraordinary termination by the Issuer.

The Products may be exercised by the Holder on certain dates during their term by submitting an Exercise Notice. The Redemption Amount for exercised Products is calculated based on the Final Fixing Level of the Underlying on the relevant exercise date.

The Products may be terminated on notice by the Issuer by way of ordinary termination in accordance with the Conditions. It is to be noted that the Issuer has no further obligations in relation to the exercise of its termination right.

The Issuer is furthermore entitled to extraordinary termination of the Products by notice if an adjustment is no longer possible or in the case of an Additional Termination Event. It is to be noted that the Issuer exercises its termination right at its reasonable discretion and has no further obligations in relation to its termination right. The exercise of the right to extraordinary termination may occur at short notice, so that, in certain circumstances, the Holder may no longer be able to sell his or her Product on the secondary market.

The exercise of the termination right by the Issuer is generally more likely, the greater the volatility of the Underlying or the more illiquid the market in financial instruments related to the Underlying (including the forward and loan markets). Owing to the Issuer's termination right, Holders may not assume that the Products will have an unlimited term. Holders should therefore not rely on being able to maintain a position in the Products over a long period. Furthermore, Holders may not rely on the timely movement of the Underlying in a favourable direction before a Termination Date.

#### ***Return and reinvestment risk in the case of ordinary or extraordinary termination by the Issuer***

Holders should note that the unlimited term of the Products may be ended by an ordinary or extraordinary termination by the Issuer. In the case of a termination, the Holder bears the risk that his expectations with respect to an increase in the value of the Products may no longer be satisfied due to the ending of the term. In the case of a termination, it must also be considered that the Holder bears the reinvestment risk. This means that he or she may only be able to reinvest the amount paid by the Issuer in the event of a termination on more unfavourable market terms compared with those existing when the Products was purchased.

#### ***Risk of total loss***

Open End Tracker Certificates are comparable with a direct investment in the Underlying (irrespective of dividend payments). Consequently, the Holder is exposed to a risk of loss comparable to the direct investment. Therefore, there is a risk of total loss with regard to the invested capital if the Underlying is worthless at the end of the term.

### Risk factors in relation to the Management Fee

To the extent provided in the applicable Final Terms, a certain Management Fee is deducted from the Redemption Amount payable.

The Management Fee compensates the Issuer or entities associated with the Issuer for costs incurred by it in entering into transactions related to the Underlying on the capital markets, which serve to hedge the fulfilment risks associated with the issuance of the Products ("**Hedging Transactions**").

It should be noted that a Management Fee not only reduces the Redemption Amount payable by the Issuer, but also reduces the value of the Products on the secondary market during their term. Such a Management Fee is incorporated in the calculation of the bid and ask prices for Products on the secondary market according to the portion of the term of the Products that has already expired.

The Issuer may be entitled to adjust the level of the Management Fee during the term of the Products. In the case of a Management Fee greater than zero (0), the effect of the Management Fee will be greater, the longer the holding period in which it applies to the Products.

### ***Product No. 16. Risk factors applicable to Express Certificates with potential Physical Settlement and with par value***

#### Risk of total loss and risks related to early redemption

In the case of Express Certificates it should be noted that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event specified in the Conditions has occurred on a Autocall Observation Date.

If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the Underlying and/or Basket Components is irrelevant to the Holder.

If there has been no early redemption of the Products, the level of the Redemption Amount and/or the type of settlement (cash settlement or physical delivery) is dependent on the price performance of the Underlying and/or Basket Components.

If a Barrier Event has occurred and/or, if provided for in the Final Terms, the Final Fixing Level is equal to or below the Strike Level and/or the Initial Fixing Level, as the case may be, the Products provide for a physical delivery of the Underlying and/or the Basket Component with the Worst Performance. In the case of a settlement of the Products by physical delivery of the Underlying and/or the Basket Component with the Worst Performance, it is to be noted that the equivalent value of the delivered Underlyings and/or Basket Components is generally lower than the Denomination. This means that from a certain point the potential coupon payment(s) may no longer be able to offset the negative performance of the Underlying and/or the Basket Component with the Worst Performance and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the equivalent value of the delivered Underlyings and/or Basket Components plus coupon payment(s). In an extreme case, this may lead to the total loss of the invest-

ed capital – irrespective of the amount of the potential coupon payment(s) – if the Underlying and/or Basket Component is worthless at the end of the term.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying and/or the Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on the occurrence of a certain event in relation to the Underlying and/or the Basket Components (e.g. reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment. It should be noted here that, unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts. The volatility of the Underlying and/or Basket Components is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the Underlying and/or the Basket Components, the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

### Redemption Amount is limited to the Maximum Redemption Amount

The Redemption Amount is limited to the Maximum Redemption Amount (without taking into account a possible Coupon Amount) which equals the Denomination.

### ***Product No. 17. Risk factors applicable to Express Certificates with potential Physical Settlement and without par value***

#### Risk of total loss and risks related to early redemption

In the case of Express Certificates it should be noted that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event specified in the Conditions has occurred on a Autocall Observation Date.

If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the Underlying and/or Basket Components is irrelevant to the Holder.

If there has been no early redemption of the Products, the level of the Redemption Amount and/or the type of settlement (cash settlement or physical delivery) is dependent on the price performance of the Underlying and/or Basket Components.

## II. RISK FACTORS

If a Barrier Event has occurred and/or, if provided for in the Final Terms, the Final Fixing Level is equal to or below the Strike Level and/or the Initial Fixing Level, as the case may be, the Products provide for a physical delivery of the Underlying and/or the Basket Component with the Worst Performance. In the case of a settlement of the Products by physical delivery of the Underlying and/or the Basket Component with the Worst Performance, it is to be noted that the equivalent value of the delivered Underlyings and/or Basket Components is generally lower than the Denomination. This means that from a certain point the potential coupon payment(s) may no longer be able to offset the negative performance of the Underlying and/or the Basket Component with the Worst Performance and the capital loss suffered, and the Holder may suffer a loss. The loss in this case is equal to the difference between (i) the purchase price paid for the Product (plus transaction costs) and (ii) the equivalent value of the delivered Underlyings and/or Basket Components plus coupon payment(s). In an extreme case, this may lead to the total loss of the invested capital – irrespective of the amount of the potential coupon payment(s) – if the Underlying and/or Basket Component is worthless at the end of the term.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying and/or Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on the occurrence of a certain event in relation to the Underlying and/or Basket Components (e.g. reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment. It should be noted here that, unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts. The volatility of the Underlying and/or Basket Components is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the Underlying and/or Basket Components, the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

### Redemption Amount is limited to the Maximum Redemption Amount

The Redemption Amount is limited to the Maximum Redemption Amount (without taking into account a possible Coupon Amount) which equals the Issue Price.

***Product No. 18. Risk factors applicable to Inverse Discount Certificates with Cash Settlement******Redemption Amount is limited to the Maximum Redemption Amount***

In the case of Inverse Discount Certificates, the Redemption Amount will not exceed the Maximum Redemption Amount, with the result that the possible yield on Inverse Discount Certificates has an upper limit.

***Risk of total loss***

Investors should note that they bear the risk of an unfavourable performance of the Underlying, i.e. an increase of the Underlying. In this scenario the investor may incur losses. In the worst case, the investor may suffer a total loss of the invested capital including related transaction costs, which arises if the Final Fixing Level is at or above the Inverse Level.

***Product No. 19. Risk factors applicable to Master Discount Certificates with Cash Settlement******Redemption Amount is limited to the Maximum Redemption Amount***

In the case of Master Discount Certificates, the Redemption Amount will not exceed the Maximum Redemption Amount, with the result that the possible yield on Master Discount Certificates has an upper limit.

***Risk of total loss***

Investors should note that the investment in the Product is comparable with a direct investment in the respective Underlying and thus in the Basket Components underlying the Product (without taking into account possible dividend payments). If a Basket Component becomes worthless, the investor suffers a loss in the amount of the Basket Component taking into account the number of each Basket Component. Since the Basket Components and the **applicable Cap Levels** are considered individually, such a loss may not be compensated by the performance of the other Basket Components. If all Basket Components become worthless, the investor is consequently exposed to the risk of **total loss** of the invested capital including related transaction costs. **It should also be noted that the Cap Level may be below the Initial Fixing Level. In this case there no possibility of the investor participating in an increase in value of the Basket Component.**

***Product No. 20. Risk factors applicable to Express Certificates with Cash Settlement and with par value and/or issue price and unconditional minimum redemption******Risk factors related to the early redemption and the unconditional minimum redemption***

In the case of Express Certificates it should be noted that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event specified in the Conditions has occurred on an Autocall Observation Date.

If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price

performance of the Underlying or, in the case of a Basket as Underlying, the Basket Components is irrelevant to the Holder.

If an early redemption of the Products has not occurred, the amount of the redemption is dependent on the Performance of the Underlying or, in the case of a Basket as Underlying, the Basket Components, if provided for in the applicable Final Terms. If the Final Fixing Levels of the Underlying or, in the case of a Basket as Underlying, all Basket Components lie at or above the Autocall Trigger Level, the Holder receives the Denomination and/or, if provided for in the applicable Final Terms, the Issue Price. If this is not the case, the Holder receives the pre-determined Minimum Redemption Amount, the amount of which is independent of the performance of the Underlying or, in the case of a Basket as Underlying, the Basket Components. The Final Terms may also provide for a redemption of the Minimum Redemption Amount in any case, if an early redemption of the Products has not occurred. **Investors should note that the Minimum Redemption Amount may be lower than the Denomination, the Issue Price and/or the capital invested to purchase the Product (including the related transaction costs).**

Investors should also note that the Minimum Redemption Amount may apply only in the case of a redemption at the end of the term. Investors must be prepared to hold their Product until the Redemption Date. If (i) an investor sells the Product on the secondary market prior to the Redemption Date or (ii) the Products are redeemed before the end of the term or (iii) a market disruption event lasting several Scheduled Trading Days has occurred in accordance with the Conditions, such minimum redemption shall not occur. **In such case the investor shall bear the risk of a total loss of the invested capital including the related transaction costs.** Investors will still be exposed to the credit risk of the Issuer meaning that they may lose their entire capital invested to purchase the Products (including related transaction costs) should the Issuer become insolvent. **This is one of the reasons that Products with unconditional minimum redemption can be traded during their term at prices which are below their Minimum Redemption Amount. Investors should therefore not rely on being able to sell the purchased Products at their Minimum Redemption Amount at any time during their term.**

In the case of these Products, the payment of the Coupon Amount is dependent on the occurrence of a Coupon Trigger Event, i.e. whether the Reference Price of the Underlying or the Reference Prices of all Basket Components on a Coupon Observation Date reach or exceed the relevant Coupon Trigger Level for this date. If a Coupon Trigger Event does not occur on any Coupon Observation Date, the investor does not receive a Coupon Payment. In the case of an Early Redemption, the investor is not entitled to demand any further Coupon Payments for future Coupon Payment Dates. The volatility of the Underlying or, in the case of a Basket as Underlying, the Basket Components is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility, the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.

Redemption Amount is limited to the Maximum Redemption Amount (if applicable)

The Redemption Amount is limited to the Maximum Redemption Amount (without taking into account a possible Coupon Amount) which equals the Denomination and/or, if provided for in the applicable Final Terms, the Issue Price.

***Product No. 21. Risk factors applicable to Express Certificates with Cash Settlement and with par value and with Downside Participation Factor***

Risk of total loss

Holder should note that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event specified in the Final Terms has occurred on an Autocall Observation Date.

If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the provisions of the Conditions. In the case of such early redemption, the future price performance of the Basket Components is irrelevant to the Holder.

If there has been no early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the Basket Components. If the preconditions for redemption at the Maximum Redemption Amount are not met, **the Holder participates on the basis of the Downside Participation Factor disproportionately in the loss in value of the Basket Component with the Worst Performance, so that as a result the Holder is exposed to a risk of loss greater than a direct investment.** Therefore, the Holder bears a risk of total loss with regard to the invested capital. Even if the Basket Component with the Worst Performance is greater than zero (0) at the end of the term, a total loss may still occur if the Downside Participation in the loss in value of the Basket Component with the Worst Performance leads to the Product being worthless.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on the occurrence of a certain event in relation to the Basket Components (e.g. reaching or exceeding a certain threshold on a specified date). Should such event not occur, there will be no coupon payment for the applicable Coupon Payment Date. Holders should note that, in the case of a coupon payment which is dependent on the Underlying, they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment. It should be noted that, unless provided otherwise in the applicable Final Terms, each relevant date is considered separately and there are no catch-up payments of the Coupon Amount. The volatility of the Basket Components is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the Basket Components, the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

*Redemption Amount is limited to the Maximum Redemption Amount*

The Redemption Amount will not exceed the Denomination, with the result that the possible yield has an upper limit.

***Product No. 22. Risk factors applicable to Certificates with Cash Settlement and with par value and with unconditional minimum redemption and Partial Redemption Amounts***

Holders should note that the level of the Redemption Amount is limited to the Minimum Redemption Amount, which simultaneously equals the Maximum Redemption Amount. In contrast to a direct investment in the Basket Components, the investor does not participate in the further positive performance of the Basket Components.

**Investors should note that the Minimum Redemption Amount may be lower than the Denomination or the capital invested for the purchase of the Product (including related transaction costs).**

Investors should also note that the Minimum Redemption Amount is applicable only in the case of a redemption at the end of the term. Investors must be prepared to hold their Product until the Redemption Date. If (i) an investor sells the Product before the Redemption Date on the secondary market or (ii) the Products are redeemed before the end of the term or (iii) a Market Disruption Event lasting several Scheduled Trading Days has occurred pursuant to the terms and conditions of the Product, such a Minimum Redemption does not occur. **In such a case the investor bears the risk of a total loss of the capital invested (including related transaction costs).** Furthermore, investors remain exposed to the credit risk of the Issuer, so they may lose all of the capital invested for the purchase of the Products (including related transaction costs) on an insolvency of the Issuer. **For this reason among others, Products with an unconditional Minimum Redemption may be traded throughout their term at a price that is below the Minimum Redemption Amount. Investors should therefore not rely on being able to sell their purchased Products at any time during their term for at least the Minimum Redemption Amount.**

Furthermore, the Certificates have the characteristic such that the payment and the level of a Coupon Amount depend on whether and at what time a Coupon Trigger Event has occurred. If by the final Coupon Observation Date (inclusive) no Coupon Trigger Event has occurred, the investor does not receive a coupon payment throughout the entire term of the Product.

The volatility of the Basket Components is an important factor for determining the likelihood of the occurrence of a Coupon Trigger Event. The higher the volatility of the Basket Components, the higher the risk to the investor that no Coupon Trigger Event occurs and therefore there is no coupon payment.



If a Coupon Trigger Event has not occurred on a Coupon Observation Date, the investor only receives the Minimum Redemption Amount. The investor suffers a loss if the Minimum Redemption Amount is less than the capital invested (including related transaction costs) for the purchase of the Products.

***Product No. 23. Risk factors applicable to Certificates with Cash Settlement and with unconditional minimum redemption***

Investors should note that, if provided for in the applicable Final Terms, the level of the Redemption Amount at the end of the term depends on the price performance of the Underlying and/or the Basket Components, since the investor receives on the Redemption Date a cash payment specified at issuance, the level of which depends on the performance of the Underlying or the performance of the worst and/or best performing Basket Component. The investor receives at least the Minimum Redemption Amount. The applicable Final Terms may stipulate that the Redemption Amount equals the Minimum Redemption Amount in any case, i.e. the payment of the Minimum Redemption Amount is not dependent on the price performance of the Underlying and/or the Basket Components.

**Investors should note that the Minimum Redemption Amount may be lower than the Denomination, Issue Price or the capital invested for the purchase of the Product (including related transaction costs).**

Investors should also note that the Minimum Redemption Amount is applicable only in the case of a redemption at the end of the term. Investors must be prepared to hold their Product until the Redemption Date. If (i) an investor sells the Product before the Redemption Date on the secondary market or (ii) the Products are redeemed before the end of the term or (iii) a Market Disruption Event lasting several Scheduled Trading Days has occurred pursuant to the terms and conditions of the Product, such a Minimum Redemption does not occur. **In such a case the investor bears the risk of a total loss of the capital invested, including related transaction costs.** Furthermore, investors remain exposed to the credit risk of the Issuer, so they may lose all of the capital invested for the purchase of the Products (including related transaction costs) on an insolvency of the Issuer. **For this reason among others, Products with an unconditional Minimum Redemption may be traded throughout their term at a price that is below the Minimum Redemption Amount. Investors should therefore not rely on being able to sell the purchased Products at any time during their term for at least the Minimum Redemption Amount.**

If provided for in the applicable Final Terms, investors should also note that the Redemption Amount is limited to the Denomination and/or, if provided for in the applicable Final Terms, the Issue Price multiplied by the Maximum Redemption Factor and the performance of the relevant exchange rate, if applicable.

Furthermore, the applicable Final Terms may provide for a coupon payment on the respective Coupon Payment Date in the case that a Coupon Trigger Event has occurred on the relevant Coupon Observation Date. In the case that no Coupon Trigger Event has occurred on the relevant Coupon Observation Date no coupon payment will be made on the corresponding Coupon Payment Date.

***Product No. 24. Risk factors applicable to Capped Certificates with Cash Settlement and with unconditional minimum redemption***

***Risk Factors applicable to the unconditional Minimum Redemption***

The Products are redeemed at the end of the term for at least the amount specified in advance. **Investors should note that the Minimum Redemption Amount may be lower than the Denomination and/or the Issue Price or the capital invested for the purchase of the Product (including related transaction costs).** Furthermore, investors remain exposed to the credit risk of the Issuer, so they may lose all of the capital invested for the purchase of the Products (including related transaction costs) on an insolvency of the Issuer.

Investors should also note that the Minimum Redemption Amount is applicable only in the case of a redemption at the end of the term. The investors must be prepared to hold their Product until the Redemption Date. If (i) an investor sells the Product before the Redemption Date on the secondary market or (ii) the Products are redeemed before the end of the term or (iii) a Market Disruption Event lasting several Scheduled Trading Days has occurred pursuant to the terms and conditions of the Product, such a Minimum Redemption does not occur. **In such a case the investor bears the risk of a total loss of the capital invested (including related transaction costs).**

**For this reason among others, Products with an unconditional Minimum Redemption may be traded throughout their term at a price that is below the Minimum Redemption Amount. Investors should therefore not rely on being able to sell the purchased Products at any time during their term for at least the Minimum Redemption Amount.**

***Risk Factors applicable to the Participation Factor***

Investors should note that the application of a Participation Factor means that the Products are economically similar to a direct investment in the Underlying and/or the Basket Component with the Worst Performance, although they are not totally comparable with such an investment because the Holders do not participate in the respective price performance of the Underlying and/or the Basket Component with the Worst Performance in the ratio of 1:1, but to the extent of a certain factor which, for example, may be expressed as a percentage. Depending on the structure of the Products a Participation Factor may have the effect that the investor participates to a greater or lesser extent in any changes in value of the Underlying and/or the Basket Component with the Worst Performance, subject to the value effects of any other product characteristics.

***Redemption Amount is limited to Maximum Redemption Amount***

The Redemption Amount is limited to the Maximum Redemption Amount, so the possible yield has an upper limit. **Investors do not participate in an increase in value of the Underlying above the Cap Level and/or the Basket Component with the Worst Performance.**

***Product No. 25. Risk factors applicable to Inverse Bonus Certificates with Cash Settlement******Risks related to the performance of Inverse Bonus Certificates owing to the reverse structure***

In the case of Inverse Bonus Certificates, the performance of the Products conversely depends on the performance of the Underlying and/or Basket Component with the worst and/or best performance. In contrast to typical participation securities, which represent a so-called "long position" (synthetic "purchase" of the Underlying and/or Basket Component with the worst and/or best performance), Inverse Bonus Certificates represent a so-called "short position" (synthetic "short sale" of the Underlying and/or Basket Component with the worst and/or best performance). This means that the Products enable the Holders to profit from a loss in value of the Underlying and/or Basket Component with the worst and/or best performance. **An Inverse Bonus Certificate typically declines in value (i.e. irrespective of other features and factors that determine the price of Products), if the value of the Underlying and/or Basket Component with the worst and/or best performance increases.**

***Risk of a total loss in the case of a Barrier Event***

Holders should consider that if a Barrier Event occurs, the entitlement to a minimum redemption expires and the Holder bears 1:1 a risk of loss if the value of the Underlying and/or Basket Component with the worst and/or best performance increases. In this case, the Holder has a risk of total loss with regard to the invested capital. A total loss occurs when the Underlying and/or Basket Component with the worst and/or best performance is equal to or above the Cap Level at the end of the term.

An important determinant of the probability of the occurrence of a Barrier Event is the volatility of the Underlying and/or Basket Component with the worst and/or best performance. The term "**Volatility**" means the fluctuation margin or price fluctuations of the Underlying and/or Basket Components. The higher the Volatility of an Underlying and/or Basket Component, the higher the risk to the Holder that the Barrier will be broken. An increasing probability of a Barrier break tends to result in the price of the Product declining.

***Limited yield potential due to reverse structure and irrespective of a cap***

Holders should note that the yield potential is limited (regardless of a cap) due to the reverse structure since the negative development of the Underlying and/or Basket Component with the worst and/or best performance will not exceed 100%, i.e. in the case of Inverse Bonus Certificates the Settlement Amount is limited to the product of (i) the Issue Price and (ii) the quotient of the Cap Level minus the Final Fixing Level and the Initial Fixing Level or, if provided for in the applicable Final Terms, the Settlement Amount is limited to the product of (i) the Issue Price and (ii) the quotient of the Cap Level minus the Final Fixing Level of the Basket Component with the worst and/or best performance and the Initial Fixing Level of the Basket Component with the worst and/or best performance.

Accordingly, in the case of Inverse Bonus Certificates, the following relationship exists in principle between the economic value of the Certificates and the economic value of the Underlying and/or Basket Components: **An Inverse Bonus Certificate typically declines in value (i.e. irrespective of other features and factors that determine the price of Products), if the value of the Underlying and/or Basket**

**Components increases. Accordingly, a Holder may suffer a total loss of the invested capital if the level of the Underlying and/or Basket Components increases and reaches or exceeds the Cap Level.**

***Product No. 26. Risk factors applicable to Capped Inverse Bonus Certificates with Cash Settlement***

***Risks related to the performance of Capped Inverse Bonus Certificates due to the reverse structure***

In the case of Capped Inverse Bonus Certificates, the performance of the Products reversely depends on the performance of the Underlying and/or Basket Component with the worst and/or best performance. In contrast to typical participation securities, which represent a so-called "long position" (synthetic "purchase" of the Underlying and/or Basket Component with the worst and/or best performance), Capped Inverse Bonus Certificates represent a so-called "short position" (synthetic "short sale" of the Underlying and/or Basket Component with the worst and/or best performance). This means that the Products enable the Holders to profit from a loss in value of the Underlying and/or Basket Component with the worst and/or best performance up to the level of the Bonus Level. **Accordingly, a Capped Inverse Bonus Certificate typically declines in value (i.e. irrespective of other features and factors that determine the price of Products), if the value of the Underlying and/or Basket Component with the worst and/or best performance increases.**

***Risk of a total loss in the case of a Barrier Event***

Holders should note that if a Barrier Event occurs, the entitlement to a minimum redemption expires and the Holder bears 1:1 a risk of loss if the value of the Underlying and/or Basket Component with the worst and/or best performance increases. In this case, the Holder has a risk of total loss with regard to the invested capital. A total loss occurs when the Underlying and/or Basket Component with the worst and/or best performance is equal to or above the Cap Level at the end of the term.

An important determinant of the probability of the occurrence of a Barrier Event is the volatility of the Underlying and/or Basket Components. The term "**Volatility**" means the fluctuation margin or price fluctuations of the Underlying and/or Basket Components. The higher the Volatility of an Underlying and/or Basket Component, the higher the risk to the Holder that the Barrier will be broken. An increasing probability of a Barrier break tends to result in the price of the Product declining.

***Redemption Amount is limited to Maximum Amount***

In the case of Capped Inverse Bonus Certificates, the Redemption Amount will not exceed the Initial Fixing Level multiplied by the Bonus Level or, if provided for in the respective Final Terms, the Issue Price multiplied by the Bonus Level or, if provided for in the respective Final Terms, the Initial Fixing Level of the Basket Component with the worst and/or best performance multiplied by the Bonus Level. This amount is the maximum amount an investor may receive. This means that the Holder does not participate in a negative price movement of the Underlying and/or Basket Component with the worst and/or best performance above the Bonus Level, with the result that the possible yield on Capped Inverse Bonus Certificates has an upper limit.

***Product No. 27. Risk factors applicable to Mini Future Certificates with Cash Settlement******Risk of a total loss in the case of the occurrence of a Stop-Loss Event***

Holders in Mini Future Certificates bear the risk that the Products expire worthless during their term, if a so-called Stop-Loss Event has occurred.

A Stop-Loss Event occurs, if an event defined in the Terms and Conditions occurs, which relates to the development of the price of the Underlying compared to a predefined price or value threshold (the so-called "Stop-Loss Level"). If a Stop-Loss Event occurs, the term of the Products ends automatically and the Products are repaid at an amount which is (in the case of Mini Future Long Certificates) equal to the difference between the Stop-Loss Price and the (Current) Strike Level taking into account the Conversion Ratio or (in the case of Mini Future Short Certificates) equal to the difference between the (Current) Strike Level and the Stop-Loss Price taking into account the Conversion Ratio. It must also be considered that the Holders may suffer a total loss of the invested capital, if the Issuer should not succeed in cancelling the hedge position for (in the case of Mini Future Long Certificates) a Stop-Loss Price above the (Current) Strike Level or (in the case of Mini Future Short Certificates) a Stop-Loss Price below the (Current) Strike Level.

Holders should note in this context that the price of the Products is reduced disproportionately compared to classical warrants, if the price of the Underlying approaches the Stop-Loss Level.

***It must be noted that no continuous bid and ask prices for the Products are quoted by the Issuer on the secondary market outside of the trading hours of the Underlying, if the Issuer expects a Stop-Loss Event to occur due to different price indicators than the official price of the Underlying. Holders should consider in this context that the Issuer does not commit or is not under any obligation legal or otherwise towards the Holders to quote bid and ask prices for the Products. Holders should therefore not rely on being able to purchase or sell the Products at any time.***

***Risk due to the leverage effect***

Due to the leverage effect the Products involve disproportionate risks of loss compared to a direct investment in the Underlying.

***Product No. 28. Risk factors applicable to Inverse Express Certificates with Cash Settlement******Risks related to the performance of Inverse Express Certificates due to the reverse structure***

In the case of Inverse Express Certificates, the performance of the Products reversely depends on the performance of the Underlying and/or the Basket Components. In contrast to typical participation securities, which represent a so-called "long position" (synthetic "purchase" of the Underlying), Inverse Express Certificates represent a so-called "short position" (synthetic "short sale" of the Underlying). This means that the Products enable the Holders to profit from a loss in value of the Underlying and/or Basket Component. **Accordingly, an Inverse Express Certificate typically declines in value (i.e. irrespective of other features and factors that determine the price of Products), if the value of the Underlying and/or Basket Components increases.**

### *Risk of total loss and risks related to early redemption*

In the case of Inverse Express Certificates it should be noted that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event specified in the Conditions has occurred on a Autocall Observation Date.

If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the Underlying or, in the case of a Basket as Underlying, the Basket Components is irrelevant to the Holder.

If there has been no early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the Underlying or, in the case of a Basket as Underlying, the Basket Components. Holders should note that if a Barrier Event occurs, the entitlement to a minimum redemption expires and the Holder bears a risk of loss if the value of the Underlying and/or Basket Components increases. In this case, the Holder has a risk of total loss with regard to the invested capital. A total loss occurs when the Performance of the Underlying and/or the Performance of the Basket Component with the best or worst performance is equal to or above 200% at the end of the term.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on the occurrence of a certain event in relation to the Underlying or, in the case of a Basket as Underlying, the Basket Components (e.g. the Underlying or, in the case of a Basket as Underlying, the Basket Components reaching or exceeding a certain threshold value on a specified date). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Holders should note that they will not receive a coupon payment during the entire term of the Products, as the case may be, if the prerequisites are not met on a date relevant for the determination of the coupon payment. It should be noted here that, unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts. The volatility of the Underlying or, in the case of a Basket as Underlying, the Basket Components is an important factor for determining the likelihood of the occurrence of an event entitling receipt of the applicable Coupon Amount. The higher the volatility of the Underlying or, in the case of a Basket as Underlying, the Basket Components, the higher the risk to the Holder that the condition will not be met and that the Holder will therefore not receive a Coupon Amount for the relevant Coupon Payment Date.

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

Redemption Amount is limited to the Maximum Redemption Amount

The Redemption Amount is limited to the Issue Price and/or the Redemption Amount (Maximum Redemption Amount).

***Product No. 29. Risk factors applicable to Warrants with Cash Settlement***

Risk of a total loss

There is a risk of a total loss of the Holder's invested capital. A total loss will occur if the Final Fixing Level of the Underlying or the worst performing Basket Component and/or the Final Basket Value and/or the performance of the Underlying, the performance of the worst performing Basket Component or the performance of the Basket is equal to or below Initial Fixing Level and/or the Strike Level (in the case of Call Warrants) or equal to or above the Initial Fixing Level and/or Strike Level (in the case of Put Warrants).

Redemption Amount is limited to Maximum Redemption Amount

If the respective Final Terms provide for a Maximum Redemption Amount the Redemption Amount will not exceed the Maximum Redemption Amount, with the result that the possible yield on the Warrants has an upper limit.

Risk due to the leverage effect

Due to the leverage effect the Products involve disproportionate risks of loss compared to a direct investment in the Underlying and/or the relevant Basket Component.

***Product No. 30. Risk factors applicable to Participation Certificates***

Risk of a total loss in the case of the occurrence of a Barrier Event in the case of Participation Certificates with Barrier

Holder should note that if a Barrier Event has occurred the Participation Certificate is comparable to a direct investment in the Underlying and/or the worst or best performing Basket Component and/or the Basket (without taking into account dividend payments) and, if provided for in the applicable Final Terms, the Product is redeemed by a physical delivery of the Underlying and/or the worst or best performing Basket Component. As a result the Holder is exposed to a risk of loss comparable to the direct investment. Therefore, the Holder bears a risk of total loss with regard to the invested capital. A total loss occurs if the Underlying and/or the worst or best performing Basket Component and/or the Basket is worthless at the end of the term.

An important determinant for the probability of the occurrence of a Barrier Event is the volatility of the Underlying and/or the Basket Components. The term "**Volatility**" means the fluctuation margin or price movements of the Underlying and/or the Basket Components. The higher the volatility of an Underlying and/or the Basket Components, the higher the risk to the Holder that the (respective) Barrier will be broken. An increasing probability of a Barrier break tends to result in a declining price of the Product.

*Risk of loss in the case of Participation Certificates without Barrier*

The level of the Redemption Amount at the end of the term depends on the performance of the Underlying and/or the worst or best performing Basket Component and/or the Basket (without taking into account dividend payments). In the case that the performance of the Underlying and/or the worst or best performing Basket Component and/or the Basket is negative **the Redemption Amount may be lower than the Denomination, Issue Price or the capital invested for the purchase of the Product (including related transaction costs)**. In the case of a negative development of the Underlying and/or the relevant Basket Component and/or the Basket, the Holder is exposed to a risk of loss. Depending of the amount of the relevant participation factor the Redemption Amount can be close to zero (0).

*Redemption Amount may be limited to a Maximum Redemption Amount*

The applicable Final Terms may provide for a Maximum Redemption Amount. In this case, the Redemption Amount will not exceed the Maximum Redemption Amount irrespective of whether or not a Barrier Event has occurred. This means that the Holder does not participate in a price movement of the Underlying and/or the worst or best performing Basket Component and/or the Basket above the Cap Level, with the result that the possible yield has an upper limit.

*Risk of a total loss in the case of Participation Certificates with rainbow structure*

The level of the Redemption Amount at the end of the term depends on the performance of the Basket Components. The Redemption Amount is determined on the basis of the performances of all Basket Components whereby the performance of the best performing Basket Component is multiplied by the highest Participation Factor, the performance of the second highest performing Basket Component is multiplied by the second highest Participation Factor and the performance of the worst performing Basket Component is multiplied by the lowest Participation Factor. Due to the application of the Participation Factor the investor will not participate 1:1 in the performance of the respective Basket Component, but only in the amount of the relevant Participation Factor.

The investor will suffer a total loss of the capital invested in the case that the performances of all Basket Components is zero (0).

***Product No. 31. Risk factors applicable to Spread Certificates with Cash Settlement****Risk of a total loss in the case of the occurrence of a Stop-Loss Event*

Holders in Spread Certificates bear the risk that the Products expire worthless during their term, if a so-called Stop-Loss Event has occurred.

A Stop-Loss Event occurs, if an event defined in the Terms and Conditions occurs, which relates to the development of the price of the Product compared to a predefined price or value threshold (the so-called "Stop-Loss Level"). If a Stop-Loss Event occurs, the term of the Products ends automatically and the Products are repaid at an amount which is equal to the Stop-Loss Redemption Amount that is determined by the Calculation Agent in its reasonable discretion on the basis of the price of the Product. The Stop-Loss Redemption Amount may be zero.



Holders should note in this context that the price of the Products is reduced disproportionately compared to classical warrants, if the price of the Product approaches the Stop-Loss Level.

**It must be noted that no continuous bid and ask prices for the Products are quoted by the Issuer on the secondary market outside of the trading hours of the Basket Components, if the Issuer expects a Stop-Loss Event to occur due to different price indicators than the official prices of the Basket Components. Holders should consider in this context that the Issuer does not commit or is not under any obligation legal or otherwise towards the Holders to quote bid and ask prices for the Products. Holders should therefore not rely on being able to purchase or sell the Products at any time.**

### Risk factors in relation to the Management Fee

In the case of Spread Certificates a certain Management Fee is deducted from the Redemption Amount payable.

The Management Fee compensates the Issuer or entities associated with the Issuer for costs incurred by it in entering into transactions related to the Basket Components on the capital markets, which serve to hedge the fulfilment risks associated with the issuance of the Products ("**Hedging Transactions**").

It should be noted that a Management Fee not only reduces the Redemption Amount payable by the Issuer, but also reduces the value of the Products on the secondary market during their term. Such a Management Fee is incorporated in the calculation of the bid and ask prices for Products on the secondary market according to the portion of the term of the Products that has already expired. In the case of a Management Fee greater than zero (0), the effect of the Management Fee will be greater, the longer the holding period in which it applies to the Products.

### Risk Factors in relation to the Adjustment Factor

In the case of Spread Certificates a certain Adjustment Factor is applied in order to calculate the Redemption Amount. Due to the application of the Adjustment Factor the Holder does not participate 1:1 in the difference between the performance of Basket Component 1 and Basket Component 2, but by the proportion of the Adjustment Factor.

### ***Product No. 32. Risk factors applicable to Short Participation Certificates with Cash Settlement and with unconditional minimum redemption***

#### Risk Factors applicable to the unconditional Minimum Redemption

The Products are redeemed at the end of the term for at least the amount specified in advance. **Investors should note that the Minimum Redemption Amount may be lower than the Denomination and/or the Issue Price or the capital invested for the purchase of the Product (including related transaction costs).** Furthermore, investors remain exposed to the credit risk of the Issuer, so they may lose all of the capital invested for the purchase of the Products (including related transaction costs) on an insolvency of the Issuer.

Investors should also note that the Minimum Redemption Amount is applicable only in the case of a redemption at the end of the term. The investors must be prepared to hold their Product until the Redemp-

tion Date. If (i) an investor sells the Product before the Redemption Date on the secondary market or (ii) the Products are redeemed before the end of the term or (iii) a Market Disruption Event lasting several Scheduled Trading Days has occurred pursuant to the terms and conditions of the Product, such a Minimum Redemption does not occur. **In such a case the investor bears the risk of a total loss of the capital invested (including related transaction costs).**

**For this reason among others, Products with an unconditional Minimum Redemption may be traded throughout their term at a price that is below the Minimum Redemption Amount. Investors should therefore not rely on being able to sell the purchased Products at any time during their term for at least the Minimum Redemption Amount.**

*Risk Factors applicable to the Participation Factor*

Investors should note that the application of a Participation Factor means that the Products are economically similar to a direct investment in the negative performance of the Underlying and/or the Basket Component with the Worst Performance and/or the Basket Component with the Best Performance, although they are not totally comparable with such an investment because the Holders do not participate in the respective negative price performance of the Underlying and/or the Basket Component with the Worst Performance and/or the Basket Component with the Best Performance in the ratio of 1:1, but to the extent of a certain factor which, for example, may be expressed as a percentage. Depending on the structure of the Products a Participation Factor may have the effect that the investor participates to a greater or lesser extent in any changes in value of the Underlying and/or the Basket Component with the Worst Performance and/or the Basket Component with the Best Performance, subject to the value effects of any other product characteristics.

*Redemption Amount is limited to Maximum Redemption Amount*

The Redemption Amount may be limited to the Maximum Redemption Amount, so the possible yield has an upper limit. **Accordingly, investors do not continue to participate in the negative price performance of the Underlying and/or the Basket Component with the Worst Performance and/or the Basket Component with the Best Performance below a certain threshold.**

***Product No. 33. Risk factors applicable to Knock-Out Warrants***

*Risk of loss*

There is a risk of a total loss of the Holder's invested capital. A total loss will occur if the Final Fixing Level of the Underlying or the worst/best performing Basket Component and/or the Final Basket Value is equal to or below (in the case of Knock-Out Call Warrants) or equal to or above (in the case of Knock-Out Put Warrants) the relevant Strike Level. A total loss will also occur in the case that a Knock-Out Event has occurred (unless the relevant Final Terms provide for a minimum redemption that equals the Denomination and/or the Issue Price multiplied by the Rebate, but also in this case the investor may suffer significant losses). A Knock-Out Event occurs, if an event defined in the Conditions occurs, which relates to the development of the price of the Underlying and/or the price of the Basket Components or the price of the Basket compared to a predefined price or value threshold (the "Knock-Out Level").

Holder should note in this context that the price of the Knock-Out Warrants is reduced disproportionately compared to classical warrants, if the price of the Underlying and/or the price of the Basket Component and/or the price of the Basket approaches the relevant Knock-Out Level.

### *Factors affecting the price during the term of the Knock-Out Warrants*

The price of the Knock-Out Warrants during the term depends in particular on the price of the Underlying and/or the price of the Basket Components and/or the price of the Basket during the term. Generally, the price of the Knock-Out Warrants falls when the price of the Underlying and/or the price of the Basket Components and/or the price of the Basket declines (in the case of Knock-Out Call Warrants) or rises (in the case of Knock-Out Put Warrants). A decrease or increase in the Underlying and/or the relevant Basket Components and/or the Basket typically has a disproportionately great effect on the price of the Knock-Out Warrants. The price of the Knock-Out Warrant depends, in addition to the price of the Underlying and/or the relevant Basket Components and/or the Basket, also on the volatility of the Underlying and/or the relevant Basket Components and/or Basket, the lending costs, the interest rate level, and any dividend expectations, if applicable.

### *Risk due to the leverage effect*

Due to the leverage effect the Products involve disproportionate risks of loss compared to a direct investment in the Underlying and/or the relevant Basket Components and/or the Basket.

### ***Product No. 34. Risk factors applicable to Dual Currency Notes***

#### *Risk of loss*

In the case of Dual Currency Notes, the Redemption Amount at the end of the term is either an amount in the Settlement Currency determined on the basis of the Denomination in the Settlement Currency or an amount in the Alternative Currency determined on the basis of the Denomination that is converted into the Alternative Currency. Therefore, Holders are exposed to the risk of changes in the relevant currency exchange rate which may affect the yield of such Dual Currency Notes.

Holder may suffer a loss. The potential loss equals the difference between the capital invested to purchase the Product (including transaction costs incurred) and the Redemption Amount. However, the Holder remains exposed to the risks of the Issuer, so the investor may lose all the capital invested to purchase the Products (including transaction costs incurred) on an insolvency of the Issuer. For this reason among others, Dual Currency Notes may be traded during their term at a price below the Denomination in the Settlement Currency. Holders may therefore not rely on being able to sell their Products at any time during the term at a price equal to or above the Denomination in the Settlement Currency.

### ***Product No. 35. Risk factors applicable to Stability Notes***

#### *Risk of total loss and risks related to early redemption*

In the case of Stability Notes it should be noted that the level of the Redemption Amount and the time for redemption of the Products depend on whether a Gap Event has occurred.

If this event occurs before the Final Fixing Date, the term of the Products ends early and the Products are redeemed early in accordance with the Conditions. In the case of such early redemption, the future price performance of the Underlying is irrelevant to the Holder.

The Holder may suffer a total loss of the capital invested. A total loss will occur in the case that a Gap Event occurs and the Gap is equal to or below the Gap Level. The Holder may also suffer a loss in the case that a Gap Event occurs and the Gap is below the Strike Level. In this scenario the Redemption Amount is below the Denomination/Issue Price.

Provided that no Gap Event has occurred, the Holder receives a Coupon Amount on the relevant Coupon Payment Date(s) that is determined on the basis of the Coupon Rate and the Denomination. The coupon payment is independent of the performance of the Underlying. In the case that a Gap Event has occurred the Holder will not receive any accrued coupon payments on the date on the Early Redemption Date.

### Redemption Amount is limited to the Denomination/Issue Price

The potential Redemption Amount under the Products will not exceed the Denomination/Issue Price (plus the coupon payment(s) provided that no early redemption has occurred).

### Risk due to the leverage effect

In the case that a Gap Event has occurred and the Gap is above the Gap Level the Redemption Amount is determined on the basis of the difference between the Strike Level and the Gap taking into account the Leverage. In this case the Product involves disproportionate risks of loss compared to a direct investment in the Underlying due to the consideration of the Leverage.

## **4. Risk factors associated with certain types of Underlyings**

### Risk factors related to a basket as underlying

The Terms and Conditions may stipulate that the basket components of which the basket is composed have different weightings within the basket. In this case it has to be considered that the lower the weighting of this basket component is, the lower the impact of the performance of the respective basket component will be on the performance of the entire basket.

The Terms and Conditions may further stipulate that the selection of the basket components and/or the determination of the composition of the basket may be adjusted by the Issuer during the term. If the Issuer has such an adjustment right, investors may not assume that the composition of the basket will remain constant during the term of the Products. Investors therefore purchase a Product linked to an underlying with an unknown future composition.

If in accordance with the respective Terms and Conditions only one basket component or one type of basket components, e.g. the basket component with the worst performance or the one whose performance is negative, is significant for the determination of the redemption amount or of coupon amounts, investors should consider that a loss may occur even if the remaining basket component(s) have performed favourably for the investor. This risk may exist regardless of the number of basket components contained in the basket.

Depending on the Product, a basket component may be quoted in a currency different from the settlement currency. In that case, the investor is additionally exposed to a currency risk which may negatively affect the performance of the respective basket component or of the basket.

### Correlation risk for Products related to a basket

In the case of Products whose performance during the term or whose redemption at the end of the term is determined by the performance of several basket components, it has to be considered that the number and the correlation of the basket components has a significant effect on the redemption and risk profile of the respective Product.

Depending on the features of the Product, a high number and/or low correlation of the basket components for example may increase the risk of the condition for a more favourable redemption for the investor not being fulfilled. In the case of Products with an overall consideration of the basket a high correlation of the basket components may increase the risk of a negative performance of the basket as a whole. "Correlation of the basket components", put simply, indicates the level of interdependence among the individual basket components with respect to their performance. Correlation has a value ranging from "-1" to "+1", with a correlation of "+1", i.e. a positive correlation, meaning that the performance of the individual basket components moves in the same direction. A correlation of "-1", i.e. a negative correlation, means that the performance of the basket components is diametrically opposed. A correlation of "0" indicates that it is not possible to make a statement on the relationship between the basket components. If, for example, in the case of shares as Basket Component all of the basket components originate from the same sector and the same country, a high positive correlation can generally be assumed. However, the correlation may fall, for example, when the stock corporation whose shares are included in the basket are engaged in intense competition for market shares and the same markets.

### Risk factors related to Products linked to shares

The performance of the shares is decisive for the development of the value of the Products linked to shares. The performance of the respective share cannot be predicted and is determined by macroeconomic factors, for example interest and price levels on the capital markets, currency developments, political factors as well as company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy.

As investors in the Products, the investors will not have any voting rights or rights to dividends or interest payments or other distributions or other rights relating to the share.

It should also be noted that neither the Issuer nor any of its affiliates have conducted any inquiries or reviews regarding the companies issuing the shares including any publicly available documents and notices. Prospective investors should not assume that the choice of a share as underlying or basket component represents an investment recommendation. Accordingly, there is no guarantee that all events occurring before the respective issue date that might have an impact on the trading price of the share(s) have been publicised. A subsequent disclosure or failure to disclose material future events with respect to a company

which has issued a share underlying the Product might have an impact on the trading price of the share and thus the trading price of the Product.

### Risk factors related to Products linked to participation certificates (*Genussscheine*)

The performance of the participation certificates (*Genussscheine*) is decisive for the development of the value of the Products linked to participation certificates (*Genussscheine*). The performance of the respective participation certificate (*Genussschein*) cannot be predicted and is determined by macroeconomic factors, for example interest and price levels on the capital markets, currency developments, political factors as well as company-specific factors such as earnings position, market position, risk situation and distribution policy.

As investors in the Products, the investors will not have any rights to distributions or other rights relating to the participation certificate (*Genussschein*).

It should also be noted that neither the Issuer nor any of its affiliates have conducted any inquiries or reviews regarding the companies issuing the participation certificates (*Genussscheine*) including any publicly available documents and notices. Prospective investors should not assume that the choice of a participation certificate (*Genussschein*) as underlying or basket component represents an investment recommendation. Accordingly, there is no guarantee that all events occurring before the respective issue date that might have an impact on the trading price of the participation certificate(s) (*Genussschein(e)*) has/have been publicised. A subsequent disclosure or failure to disclose material future events with respect to a company which has issued a participation certificate (*Genussschein*) underlying the Product might have an impact on the trading price of the participation certificate (*Genussschein*) and thus the trading price of the Product.

### Risk factors related to Products linked to securities representing shares

The Products may relate to securities representing shares (mostly in the form of ADRs or GDRs, together "**Depository Receipts**"). Compared with a direct investment in shares, such securities representing shares may carry further-reaching risks.

American Depository Receipts ("**ADRs**") are securities which are issued in the United States of America in the form of share certificates in a portfolio of shares which is held in the country of domicile of the issuer of the underlying shares outside the United States of America. Global Depository Receipts ("**GDRs**") are also securities in the form of share certificates in a portfolio of shares which is held in the country of domicile of the issuer of the underlying shares. As a rule they are distinguished from share certificates referred to as ADRs in that they are normally publicly offered and/or issued outside the United States of America.

Each Depository Receipt represents one or more shares or a fraction of the security of a non-domestic stock corporation. The legal owner of the underlying shares is for both types of Depository Receipts the depository, which is also the issuing agent of the Depository Receipts. Depending on the jurisdiction under which the Depository Receipts have been issued and under which the depository agreement is governed, it cannot be ruled out that the jurisdiction will not accept the holder of the Depository Receipts as

the actual beneficial owner of the underlying shares. In particular in the event that the depositary becomes insolvent or is subject to foreclosure, it is possible that a restraint on disposal of the underlying shares of the Depositary Receipts will be imposed or that such shares will be disposed of in the context of a foreclosure against the depositary. In this case, the holder of the Depositary Receipts will lose the rights over the underlying shares which are certified in the Depositary Receipt. The Depositary Receipt as the underlying of the Products and therefore the Products relating to such Depositary Receipt will become worthless.

In such a scenario the Holder is exposed to the risk of the value of the redemption of such Products being less than the capital invested for the Product (including related transaction costs) or zero.

Any fees and costs that the custodian bank – generally having its registered office in the home country of the issuer of the shares underlying the Depositary Receipts – or the depositary incur can have a negative impact on the value of the Depositary Receipts and thus on the value of the Products.

### Risk factors related to Products linked to indices

In the case of Products linked to indices, the redemption amount depends on the performance of the index and thus of the components contained in the index. During the term, the market value of the Products can, however, also deviate from the performance of the index or components contained in the index since other factors such as the correlation, volatilities, interest level and, e.g. in the case of performance indices, the reinvestment of any dividend payments relating to the components contained in the index, may have an impact on the performance of the Products. The investor can therefore not rely on the Product being recoverable. In the case of a price index as Underlying, investors should note that dividend payments are in principle not taken into account (whereas in the case of performance indices the calculation of such index takes into account all dividend payments). Therefore, investors should note that they do not participate in any dividend payments with regard to the components contained in the underlying.

Investors should note that the Index-Sponsor or the person responsible for the composition of the Index as well as the Issuer may be subject to new regulatory requirements with regard to the publication and the use of an Index during the term of the Products which may require an admission or a registration of the respective Index and an index modification in order to comply with the statutory provisions. Therefore, it cannot be excluded that an Index will be modified, cancelled or may no longer be used. In each of these cases the Issuer and/or the Calculation Agent is entitled to make adjustments pursuant to the Product Conditions and to make determinations with respect to the price of the Index in its discretion in order to calculate the amount owed at the end of the term of the Product and/or after an exercise or in the case of a termination of the Products.

### Risk factors related to Products linked to futures contracts

Futures contracts – also known as forward contracts – are standardised forward transactions relating to financial instruments (e.g. shares, indices, interest rates or foreign currencies) – known as financial futures contracts – or to commodities (e.g. precious metals, wheat or sugar) – known as commodity futures contracts.

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A futures contract represents a contractual obligation to buy or sell a fixed amount of the underlying commodity or financial instrument on a fixed date at an agreed price. Futures contracts are traded on futures exchanges and are for this purpose are standardised in terms of contract size, type, and quality of the underlying commodity or financial instrument as well as places and dates of delivery where applicable.

There is generally a close correlation between the price movement of an underlying for the relevant futures contract on a spot market and on the corresponding futures market. However, futures contracts are generally traded at a premium or discount compared with the spot price of the underlying of the futures contract. This difference between the spot and futures prices, called the "basis" in futures exchange terminology, on the one hand is the result of taking into account the costs customarily arising in connection with spot transactions (warehousing, delivery, insurance, etc.) and/or the income customarily arising in connection with spot transactions (interest, dividends, etc.), and on the other hand the different methods used to evaluate general market factors affecting the spot and the futures market. Furthermore, depending on the relevant underlying, there can be significant differences in the liquidity of the spot and respective futures market.

As the Products are linked to the market price of the futures contracts specified in the Terms and Conditions, it is recommended that investors understand how futures transactions work and are valued in addition to knowing about the market in the underlying of the relevant futures contract, since only then can the investor properly assess the risks inherent in purchasing the Products.

Since futures contracts as an underlying of the Products may have a fixed expiry date, the current futures contract is replaced by the Issuer, at the time specified in the Terms and Conditions, with a futures contract that has the same contract specifications as that futures contract except for the expiry date which is more distant than that of the current futures contract (referred to as "roll-over").

### *Risk factors related to whole-day trading of currencies and commodities*

If the right embodied by the Products is determined on the basis of currencies or commodities, investors should consider that those are traded 24 hours a day as a result of the time zones of Australia, Asia, Europe and America. For this reason it is possible that an event that is material in accordance with the respective Terms and Conditions or a factor relevant for the determination of the right granted by the Product may occur or be determined outside the business hours of the place where the Products are offered and/or traded.

### *Risk factors related to Products linked to currency exchange rates*

Currency exchange rates indicate the relationship between one particular currency and another currency. For example the exchange rate "EUR/USD 1.11823" indicates that USD 1.11823 has to be paid to purchase one euro. An increase in this currency exchange rate therefore means an increase in the value of the euro against the US dollar. The currency exchange rate "USD/EUR 0.89416", on the other hand, indicates that EUR 0.89416 has to be paid to purchase one US dollar. An increase in this currency exchange rate therefore means an increase in the value of the US dollar against the euro.



A country's currency may appreciate, for example, as a result of an increase in this country's key interest rate since in such case demand for the country's government bonds normally rises. Conversely, a country's currency may depreciate if the key interest rate falls. Generally, exchange rates are determined by supply and demand for currencies on the international money markets which are, among other things, subject to economic factors, speculation and actions taken by governments and central banks (e.g. exchange controls or restrictions).

Currency exchange rates are influenced by a wide variety of factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and the safety of making financial investments in the currency concerned. Apart from these assessable factors there may be factors that are almost impossible to predict, for instance factors of a psychological nature such as a loss of faith in the political leadership of a country, which can also have a major impact on the value of the currency concerned.

### *Risk factors related to Products linked to commodities*

Commodities are generally divided into three main categories: mineral commodities (such as oil, gas, aluminium and copper), agricultural products (such as wheat and maize) and precious metals (such as gold and silver). The majority of commodities are traded globally on specialised exchanges or directly between market participants (interbank trading) over-the-counter by means of largely standardised contracts.

The price risks involved in commodities are often complex. Commodity prices are more volatile than other investment categories and, in particular, commodity markets are less liquid than bond, currency or stock markets. This means that changes in the supply and demand have a larger impact on prices and volatility, making commodities investments riskier and more complex than other investments.

The factors that influence commodity prices are both numerous and complex. The following are examples of some typical factors affecting commodities prices.

The planning and management of commodities supplies are very time-consuming. This means that the scope for action on the supply side is limited and it is not always possible to adjust production swiftly to take account of demand. Demand can also vary on a regional basis. Transport costs for commodities in regions where these are needed also affect their prices. The fact that some commodities take a cyclical pattern, such as agricultural products which are only produced at certain times of the year, can also result in major price fluctuations.

Direct investments in commodities involve costs related to storage, insurance and tax. Moreover, no interest or dividends are paid on commodities. The total returns from commodities investments are therefore influenced by these factors.

Not all commodities markets are liquid and able to quickly and adequately react to changes in supply and demand. The fact that there are only a few market participants on the commodities markets means that speculative investments can have negative consequences and may distort prices.

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Unfavourable weather conditions can influence the supply of certain commodities for the entire year. This kind of supply crisis can lead to severe and unpredictable price fluctuations. Diseases and epidemics can also influence the prices for agricultural commodities.

Commodities are often produced in emerging market countries, with demand coming principally from industrialised nations. However, the political and economic situation of emerging markets is often far less stable than in industrialised nations. They are generally much more susceptible to the risks of rapid political change and economic setbacks. Political crises can affect investor confidence, which can as a consequence influence commodity prices. Armed conflicts can also have impact on the supply and demand for certain commodities. It is also possible for industrialised nations to impose embargos on imports and exports of goods and services. This can directly and indirectly impact commodity prices. Furthermore, numerous commodity producers have joined forces to establish organisations or cartels in order to regulate supply and influence prices.

Changes in tax rates and customs duties may have a positive or a negative impact on the profitability margins for commodities producers. If these costs are passed on to buyers, these changes will affect the prices of the relevant commodities.

### *Risk factors related to Products linked to funds*

*Factors affecting the performance of the Fund(s) may adversely affect the market value of, and the return (if any) on, the Products linked thereto*

A Fund is either (i) an exchange traded fund ("ETF"), which is an open ended or other fund traded like a share on an exchange, or (ii) other unlisted fund, in each case that tracks the performance of a portfolio of assets. As a result, the performance of a Fund is dependent upon the macroeconomic factors affecting the performance of such assets which may include, among other things, interest and price levels on the capital markets, commodity prices, currency developments, political factors and, in the case of shares, company specific factors, such as earnings position, market position, risk situation, shareholder structure and distribution policy. These factors affecting the performance of the Fund(s) may adversely affect the market value of, and the return (if any) on, the Products linked thereto

*Exposure to the risk that the return on the Product does not reflect the return on a direct investment in the fund units or the assets included in the portfolio of the Fund(s) linked thereto*

An investor's return on Products linked to Fund(s) may not reflect the return such investor would realise if he or she actually owned the relevant fund units or assets included in the portfolio(s) of the Fund(s). For example, if the portfolio of the Fund(s) includes shares or a share index, investors in the Products linked to such Fund will not receive any dividends paid on such shares or the shares included in such share index and will not benefit from those dividends unless such Fund takes such dividends into account for purposes of calculating the value of such Fund. Similarly, investors in Products linked to Fund(s) will not have any voting rights in the shares or other assets that are included in the portfolio(s) of the Fund(s). Accordingly, an investor in Products linked to Fund(s) may receive a lower payment (if any) upon redemption of

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such Products than such investor would have received, if he or she had directly invested in the fund units or assets included in the portfolio of such Fund(s).

*A change in the composition or discontinuance of the Fund(s) could adversely affect the market value of, and return (if any) on, Products linked thereto*

In principle, the Issuer and the Calculation Agent have no influence on the composition or performance of any Fund or any index that such Fund is intended to replicate. The Management Company or the licensor/index sponsor, as applicable, of an underlying index can add, delete or substitute the assets included in such index, respectively, or make methodological changes that could affect the value of such Fund or of such underlying index, respectively. The substitution of assets included in the portfolio of a Fund or in an underlying index, respectively, may affect the value of such Fund, as a newly added asset may perform significantly worse or better than the asset it replaces, which in turn may affect the market value of, or payments (or other benefits to be received) under, the Products. The Management Company or licensor/index sponsor of any underlying index may also alter, discontinue or suspend calculation or dissemination of information on such Fund or such underlying index, respectively. The Management Company and licensor/index sponsor of such underlying index are not involved in the offer and sale of the Products and have no obligation to invest therein. The Management Company and licensor/index sponsor of such underlying index may take any actions in respect of such Fund or such underlying index, respectively, without regard to the interests of the investors in Products, and any of these actions could adversely affect the market value of (or amount payable under) such Products. In particular, no assurance can be given that the performance of a Fund will be identical to the performance of the assets included in the portfolio of the Fund(s) or which the Fund intends to replicate, respectively, due to many factors.

*Risks in relation to market price*

The market price of interests in the Fund that are traded on an exchange may, due to the forces of supply and demand, as well as liquidity and scale of trading spread in the secondary market, diverge from their net asset value, *i.e.*, the market price per interest in the Fund could be higher or lower than its net asset value, and will fluctuate during the trading day.

*The performance of Fund(s) with a portfolio of assets that are concentrated in the assets of a particular industry or group of industries could be more volatile than the performance of Funds with portfolios of more diverse assets*

Investors in Products linked to Fund(s) with a portfolio of assets that are concentrated in the assets of a particular industry or group of industries should be aware that the performance of such Fund(s) could be more volatile than the performance of Funds with portfolios of more diverse assets.

*Risk factors related to underlyings linked to interest rates and reference rates*

Interest rates and reference rates are mainly dependent upon the supply and demand for credit in the money market, *i.e.*, the rates of interest paid on investments, determined by the interaction of supply of and demand for funds in the money market. The supply and demand in the money market on the other hand is dependent upon macroeconomic factors, such as interest and price levels on the capital markets,

currency developments and political factors, or upon other factors, depending on the specific type of interest rate or reference rate. Such factors affecting the performance of an interest rate or reference rate may adversely affect the market value of, and return (if any) on, Products linked thereto.

In principle, the Issuer and/or the Calculation Agent (as the case may be) have no influence on the determination of interest rate(s) or reference rate(s). Interest rates and reference rates are generally calculated by an independent organization or a governmental authority, often based on information provided by market participants. The entity publishing an interest rate or reference rate can modify the calculation method for determining such interest rate or reference rate or make other methodological changes that could affect the value of the interest rate or reference rate. The calculation or dissemination of such interest rate or reference rate may also be altered, discontinued or suspended. The entity publishing an interest rate or reference rate is not involved in the offer and sale of the Products and has no obligation to invest therein. The entity publishing an interest rate or reference rate may take any actions in respect of such interest rate or reference rate without regard to the interests of the investors in Products, and any of these actions could adversely affect the market value of such Products.

The Final Terms may provide for interest rates or reference rates resulting from the difference between two interest rates or reference rates (e.g. a CMS-rate and EURIBOR-rate or a CMS-rate and another CMS-rate). The return of the Products therefore depends on the performance of the relevant interest rate or reference rate. If the difference between the interest rates or reference rates decreases, in general the value of the Underlying and/or Basket Components also decreases and further the redemption amount and/or coupon amount may decrease.

### *Risk factors related to underlyings related to emerging markets*

Investments in so-called emerging markets contain further risk factors in addition to the risks normally associated with the investment in the respective underlying. These include the unstable economic situation, high inflation, increased currency risks as well as political and legal risks. The political and economic structures in emerging markets are sometimes subject to considerable transitions and rapid developments and these countries often lack social, political and economic stability if compared with more industrialised nations. Of particular importance is the increased risk of currency fluctuations. Instability in these countries can also be caused by authoritarian governments or military interference in political and economic decision making. This also includes anti-constitutional (attempted) regime change, civil unrest relating to demands for improved political, economic and social conditions, hostile relations with neighbouring countries or conflicts based on ethnic, religious or racial reasons.

There is also the possibility of restrictions being imposed on foreign investors, expropriation of assets, confiscatory taxation, confiscation or nationalisation of foreign bank deposits or other assets, the introduction of currency controls or other detrimental developments which may adversely affect the success of investments in such countries. Such adverse effects can, under certain circumstances, last for long periods of time, i.e. months or years. Each of these adverse effects may cause what is known as a market disrupt-

tion in relation to the Products and one of the results of this may be that during this period no prices will be quoted for the Products affected by the market disruption.

The small size and lack of experience on the securities markets in certain countries as well as the limited trading volume of securities can cause an underlying to be less liquid and/or considerably more volatile than underlyings in more established markets. It is possible that very little financial information is available on local issuers, which can make it difficult to assess the value of and/or prospects of the underlying.

In addition, if the underlyings of the Products are quoted in local currency, i.e. not hedged against the euro, there is an increased foreign exchange risk. Experience shows that the currency exchange rates in emerging markets are subject to particularly high fluctuations. This may result in a considerable negative performance of the Product, even though the performance of the underlying during the term of the Product has essentially remained unchanged or even risen. This may mean that some or all of the total performance of the underlying may be eroded by currency losses and that the performance of the underlying even may become negative.

Regulation and reform of "benchmarks", including LIBOR, EURIBOR and other interest rate, equity, commodity, foreign exchange rate and other types of benchmarks

Interbank Offered Rates (including the London Interbank Offered Rate ("**LIBOR**") and the Euro Interbank Offered Rate ("**EURIBOR**")) and other interest rates, equity, commodity, foreign exchange rate and other types of rates and indices which are deemed to be "benchmarks" are and/or will be the subject of ongoing national and international regulatory reform. Following any such reforms, benchmarks may perform differently than in the past or disappear entirely, or there could be other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Products linked to such a benchmark.

Key regulatory proposals and initiatives in this area include (amongst others) IOSCO's Principles for Financial Market Benchmarks (the "**IOSCO Benchmark Principles**"), the EU Regulation 2016/2011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmark Regulation**"), and the transition proposed by the UK's Financial Conduct Authority (the "**FCA**"), away from LIBOR to one or more alternative benchmarks (each, as discussed below).

The IOSCO Benchmark Principles aim to create an overarching framework of principles for benchmarks to be used in financial markets, specifically covering governance and accountability as well as the quality and transparency of benchmark design and methodologies. Subsequent implementation reviews have found that widespread efforts are being made to implement the IOSCO Benchmark Principles by the majority of administrators surveyed. However, the reviews also note that, as the "benchmarks industry" is in a state of flux, IOSCO may need to take further steps in the future - although it is not yet clear what these steps might be. On 16 December 2016, IOSCO published a report setting out guidance to improve the consistency and quality of reporting on compliance with IOSCO Benchmark Principles.

The Benchmark Regulation entered into force in June 2016 and became fully applicable in the EU on 1 January 2018 (save that certain provisions, including those related to "critical benchmarks", took effect on 30 June 2016), subject to certain transitional provisions. The Benchmark Regulation applies to the contribution of input data to a "benchmark", the provision or administration of a "benchmark" and the use of a "benchmark" in the EU. Among other things, it (a) requires EU benchmark administrators to be authorised or registered as such and to comply with extensive requirements relating to the administration of "benchmarks" and (b) prohibits certain uses by EU supervised entities of "benchmarks" provided by EU administrators which are not authorised or registered in accordance with the Benchmark Regulation (or, if located outside of the EU, deemed equivalent or recognised or endorsed). The scope of the Benchmark Regulation is wide and, in addition to so-called "critical benchmark" indices such as EURIBOR, applies to many other interest rate indices, as well as equity, commodity and foreign exchange rate indices and other indices. This will include "proprietary" indices or strategies where these are used to (i) determine the amount payable under, or the value of, certain financial instruments (including securities or OTC derivatives listed on an EU regulated market, EU multilateral trading facility (MTF), EU organised trading facility (OTF) or "traded via a systematic internaliser"), (ii) determine the amount payable under certain financial contracts, or (iii) measure the performance of an investment fund.

The Benchmark Regulation could have a material impact on Products linked to a "benchmark". For example:

- a rate or index which is a "benchmark" may not be used in certain ways by an EU supervised entity if (subject to applicable transitional provisions) its administrator does not obtain authorisation or registration (or, if a non-EU entity, does not satisfy the "equivalence" conditions and is not "recognised" pending an equivalence decision). If the benchmark administrator does not obtain or maintain (as applicable) such authorisation or registration or, if a non-EU entity, "equivalence" is not available and it is not recognised (this is referred to as an "Administrator/Benchmark Event"), then the Products may be redeemed prior to maturity;
- if the Reference Asset is a benchmark under the Benchmark Regulation and it would be unlawful or contradictory to any applicable licensing requirements for the Calculation Agent to determine the level or other value of such Reference Asset or make any other determination in respect of the Products which it would otherwise be obliged to do so pursuant to the Conditions, then the Products may be redeemed prior to maturity; 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 (depending on the terms of the particular Products) could lead to adjustments to the terms of the Products, including potentially determination by the Calculation Agent of the rate or level in its reasonable discretion.

In a speech in July 2017, the Chief Executive of the FCA committed the FCA to begin planning a transition away from LIBOR to alternative reference rates that are based on actual transactions, such as SONIA (the Sterling Over Night Index Average). The speech envisaged the current LIBOR arrangements continu-

ing until at least the end of 2021. The Bank of England's Working Group on Sterling Risk-Free Reference Rates has been considering risk free rates for use as alternatives to LIBOR and has chosen a reformed Sterling Overnight Index Average ("**SONIA**"). The reforms to SONIA became effective on 23 April 2018 and it is expected that there will be a transition to SONIA over the next four years across sterling bond, loan and derivatives related markets, so that SONIA is established as the primary sterling interest rate benchmark by end 2021.

Ongoing international and/or national reform initiatives and the increased regulatory scrutiny of benchmarks generally could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any applicable regulations or requirements. Such factors may discourage market participants from continuing to administer or contribute to benchmarks, trigger changes in the rules or methodologies used in respect of benchmarks, and/or lead to the disappearance of benchmarks, including LIBOR. This could result in (i) adjustments to the terms and conditions and/or early redemption provisions and/or provisions relating to discretionary valuation by the Calculation Agent, (ii) delisting, and/or (iii) other consequences for Products linked to any such benchmarks. Any such consequence could have a material adverse effect on the value of and return on any such Products.

### 5. **Risk factors associated with conflicts of interest**

#### *Conflicts of interest related to the underlying*

The Issuer and other companies in the Group deal in the underlyings or in components of the underlying or in options or futures contracts relating to the underlyings or components thereof in their normal course of business and from time to time may participate in transactions connected to the Products for their own account or on behalf of others. The Issuer and other companies in the Group can also hold interests in individual underlyings or in the companies contained in these underlyings, meaning that conflicts of interest can arise in connection with the Products.

#### *Conflicts of interest related to the performance of another function*

Furthermore, the Issuer and other companies in the Group can, in addition, exercise another function in relation to the underlying or components thereof, such as issuing agent, calculation agent, paying agent and/or administrative agent. Therefore, there can be conflicts of interest regarding the duties when determining the prices of the Products and other determinations related thereto among the relevant companies in the Group and between the companies and the investors. Furthermore, the Issuer and other companies in the Group may act as members of a consortium, financial advisor or commercial bank in connection with future offers of the underlying or components thereof; activities of this kind can also entail conflicts of interest and affect the value of the Products.

#### *Conflicts of interest related to the performance of hedging transactions*

The Issuer can use parts or all of the proceeds from the sale of the Products for hedging transactions. These hedging transactions can influence the price of the underlyings or the components of the underlying that is determined on the market.

### Conflicts of interest related to the issuance of additional derivative products

The Issuer and other companies in Group can issue additional derivative products in relation to the underlying or components of the underlying, including those that have the same or similar features as the Products. The introduction of products that are in competition with the Products can have an impact on the price of the underlying or components of the underlying and therefore have an impact on the price of the Products.

### Conflicts of interest related to information specific to the Underlying

The Issuer and other companies in the Group can receive non-public information regarding the underlying or components of the underlying, but are not obliged to pass such information on to the Holders. Furthermore, companies in the Group can publish research reports on the underlying or components of the underlying. Activities such as those mentioned can give rise to specific conflicts of interest and therefore have an impact on the value of the Products.

### Conflicts of interest related to the determination of the selling price of the Products and commission payments

The selling price of the Products, where appropriate in addition to fixed issue surcharges, management fees or other fees, may contain surcharges that are not transparent to the investor on the initial mathematical "fair" value of the Products (the "**margin**"). This margin will be determined by the Issuer in its sole discretion and can differ from surcharges that other issuers impose on comparable Products.

It should be noted that the selling price of the Products may contain commission which is charged by the Lead Manager for the issue or which is passed on to distribution partners as payment for distribution services. This may give rise to a difference between the fair value of the Product and the bid and offer prices quoted by the Market Maker. Any commission contained in the Products affects the investor's potential rate of return. Furthermore, it should be noted that conflicts of interest detrimental to the investor may arise due to payment of such commission to distribution partners, since it could create an incentive for the partner to sell its customers products with higher commission. Therefore, we recommend that you ask your principal bank or financial advisor about such conflicts of interest.

### Conflicts of interest related to Market Making for the Products

It is intended that under normal market conditions the Lead Manager or, if applicable, a third party will regularly quote bid and offer prices for each issue of Products. However, no legal obligations are assumed with respect to the amount or the realisation of such quotations. It should be noted that it may not be possible to sell the Products during their term at a particular point in time or at a particular price.

Furthermore it should be taken into account that the bid and offer prices for the Products quoted by the Lead Manager or a third party (the "**Market Maker**"), if applicable, will be calculated on the basis of the standard price models for the sector that are used by the Market Maker and other traders and which determine the fair value of the Products by taking into account various factors influencing prices.



Such circumstances on which the Market Maker bases its determination of the bid and offer prices on the secondary market include, in particular, the fair value of the Products, which among other things depends on the value of the underlying and the spread between bid and offer prices desired by the Market Maker. In addition, an issue surcharge that is originally imposed on the Products and any fees or costs that are deducted from the redemption amount at maturity, such as commission, administrative fees, transaction costs or comparable costs, will generally be considered. Furthermore, the margin contained in the selling price of the Products, for example, has an impact on pricing in the secondary market (see also "Conflicts of interest related to the determination of the selling price of the Products and commission payments" in Section II.5 of the Base Prospectus) or other returns, such as paid or expected dividends or any other returns on the Underlying or its components if the Issuer is entitled to these due to the features of the Products.

The spread between bid and offer prices is set by the Market Maker based on supply and demand for the Products and yield considerations.

Certain costs such as any administrative fees charged are often during pricing not spread equally over the term of the Products (*pro rata temporis*), thereby reducing the price, but instead are deducted in full from the fair value of the Products at an earlier point in time determined at the discretion of the Market Maker. The same applies for the margin, if any, contained in the selling price of the Products as well as for dividends and other returns on the underlying if the Issuer is entitled to these due to the features of the Products. These are often not only deducted from the price when the underlying or its components are traded "ex dividend", but are deducted at an earlier point during the term on the basis of the expected dividends for the whole term or a particular period. The speed of the deduction depends among other things on the amount of any net return flow from the Products to the Market Maker. The prices quoted by the Market Maker can therefore deviate considerably from the fair value or value of the Products to be expected based on the above mentioned factors at the relevant point in time. Furthermore, the Market Maker can change the methodology by which the prices are determined at any time, e.g. by increasing or decreasing the spread. The result of such deviation from the fair value of the Products can be that bid and offer prices quoted by other traders for the Products deviate significantly (both up-wards and downwards) from the prices quoted by the Market Maker.

### Interests of third parties involved in the issue

The Issuer can involve cooperation partners and external advisors in the issuance of Products, e.g. in the composition and adjustment of a basket or index. It is possible that such cooperation partners and advisors may pursue their own interests in the course of an issuance by the Issuer and when providing their associated advice. A conflict of interest of advisors may mean that they make an investment decision or suggestion in their own interest rather than in the interest of the investors.

**III. INFORMATION ABOUT THE ISSUER**

Information that is required to be disclosed in relation to the Issuer is contained in the Registration Document of Leonteq Securities AG dated 8 April 2019 (the „**Registration Document**“), which has been filed with the Competent Authority. The information about the Issuer contained in the Registration Document is herewith incorporated into this Base Prospectus by reference pursuant to Section 11 of the WpPG (see also section „X. Documents Incorporated by Reference“ of the Base Prospectus). As of 14 January 2019 the Issuer has been assigned a long-term issuer default rating (IDR) of BBB - (outlook: positive) and a short-term IDR of F3 by Fitch Ratings Limited. In addition thereto, as of 10 May 2019 the Issuer has been assigned a Foreign Currency Long-term Issuer Rating of BBB+ (outlook: stable) by Japan Credit Rating Agency, Ltd.

#### IV. INFORMATION ABOUT THE PRODUCTS

The following information relating to the Products will be specified and/or completed by the information contained in the applicable Final Terms which are applicable to the respective issuance. The Base Prospectus provides for the preparation of Final Terms in the following two scenarios:

(i) start of a new offer of Products; and

(ii) increase of issue size of Products already issued under this Base Prospectus or under the Base Prospectus dated 27 June 2018 or under the Base Prospectus dated 29 June 2017 or under the Base Prospectus dated 29 June 2016.

##### 1. General information about the Products

(a) *Interest of individuals or legal entities involved in the issue*

###### Conflicts of interest related to the underlying

The Issuer and other companies in the Group deal in the underlyings or in components of the underlying or in options or futures contracts relating to the underlyings or components thereof in their normal course of business and from time to time may participate in transactions connected to the Products for their own account or on behalf of others. The Issuer and other companies in the Group can also hold interests in individual underlyings or in the companies contained in these underlyings, meaning that conflicts of interest can arise in connection with the Products.

###### Conflicts of interest related to the performance of another function

Furthermore, the Issuer and other companies in the Group can, in addition, exercise another function in relation to the underlying or components thereof, such as issuing agent, calculation agent, paying agent and/or administrative agent. Therefore, there can be conflicts of interest regarding the duties when determining the prices of the Products and other determinations related thereto among the relevant companies in the Group and between the companies and the investors. Furthermore, the Issuer and other companies in the Group may act as members of a consortium, financial advisor or commercial bank in connection with future offers of the underlying or components thereof; activities of this kind can also entail conflicts of interest and affect the value of the Products.

###### Conflicts of interest related to the performance of hedging transactions

The Issuer can use parts or all of the proceeds from the sale of the Products for hedging transactions. These hedging transactions can influence the price of the underlyings or the components of the underlying that is determined on the market.

###### Conflicts of interest related to the issuance of additional derivative products

The Issuer and other companies in Group can issue additional derivative products in relation to the underlying or components of the underlying, including those that have the same or similar features as the Prod-

#### IV. INFORMATION ABOUT THE PRODUCTS

ucts. The introduction of products that are in competition with the Products can have an impact on the price of the underlying or components of the underlying and therefore have an impact on the price of the Products.

##### Conflicts of interest related to information specific to the Underlying

The Issuer and other companies in the Group can receive non-public information regarding the underlying or components of the underlying, but are not obliged to pass such information on to the Holders. Furthermore, companies in the Group can publish research reports on the underlying or components of the underlying. Activities such as those mentioned can give rise to specific conflicts of interest and therefore have an impact on the value of the Products.

##### Conflicts of interest related to the determination of the selling price of the Products and commission payments

The selling price of the Products, where appropriate in addition to fixed issue surcharges, management fees or other fees, may contain surcharges that are not transparent to the investor on the initial mathematical "fair" value of the Products (the "**margin**"). This margin will be determined by the Issuer in its sole discretion and can differ from surcharges that other issuers impose on comparable Products.

It should be noted that the selling price of the Products may contain commission which is charged by the Lead Manager for the issue or which is passed on to distribution partners as payment for distribution services. This may give rise to a difference between the fair value of the Product and the bid and offer prices quoted by the Market Maker. Any commission contained in the Products affects the investor's potential rate of return. Furthermore, it should be noted that conflicts of interest detrimental to the investor may arise due to payment of such commission to distribution partners, since it could create an incentive for the partner to sell its customers products with higher commission. Therefore, we recommend that you ask your principal bank or financial advisor about such conflicts of interest.

##### Conflicts of interest related to Market Making for the Products

It is intended that under normal market conditions the Lead Manager or, if applicable, a third party will regularly quote bid and offer prices for each issue of Products. However, no legal obligations are assumed with respect to the amount or the realisation of such quotations. It should be noted that it may not be possible to sell the Products during their term at a particular point in time or at a particular price.

Furthermore it should be taken into account that the bid and offer prices for the Products quoted by the Lead Manager or a third party (the "**Market Maker**"), if applicable, will be calculated on the basis of the standard price models for the sector that are used by the Market Maker and other traders and which determine the fair value of the Products by taking into account various factors influencing prices.

Such circumstances on which the Market Maker bases its determination of the bid and offer prices on the secondary market include, in particular, the fair value of the Products, which among other things depends on the value of the underlying and the spread between bid and offer prices desired by the Market Maker.

#### IV. INFORMATION ABOUT THE PRODUCTS

In addition, an issue surcharge that is originally imposed on the Products and any fees or costs that are deducted from the redemption amount at maturity, such as commission, administrative fees, transaction costs or comparable costs, will generally be considered. Furthermore, the margin contained in the selling price of the Products, for example, has an impact on pricing in the secondary market (see also "Conflicts of interest related to the determination of the selling price of the Products and commission payments" in Section II.5 of the Base Prospectus) or other returns, such as paid or expected dividends or any other returns on the Underlying or its components if the Issuer is entitled to these due to the features of the Products.

The spread between bid and offer prices is set by the Market Maker based on supply and demand for the Products and yield considerations.

Certain costs such as any administrative fees charged are often during pricing not spread equally over the term of the Products (*pro rata temporis*), thereby reducing the price, but instead are deducted in full from the fair value of the Products at an earlier point in time determined at the discretion of the Market Maker. The same applies for the margin, if any, contained in the selling price of the Products as well as for dividends and other returns on the underlying if the Issuer is entitled to these due to the features of the Products. These are often not only deducted from the price when the underlying or its components are traded "ex dividend", but are deducted at an earlier point during the term on the basis of the expected dividends for the whole term or a particular period. The speed of the deduction depends among other things on the amount of any net return flow from the Products to the Market Maker. The prices quoted by the Market Maker can therefore deviate considerably from the fair value or value of the Products to be expected based on the above mentioned factors at the relevant point in time. Furthermore, the Market Maker can change the methodology by which the prices are determined at any time, e.g. by increasing or decreasing the spread. The result of such deviation from the fair value of the Products can be that bid and offer prices quoted by other traders for the Products deviate significantly (both up-wards and downwards) from the prices quoted by the Market Maker.

##### Interests of third parties involved in the issue

The Issuer can involve cooperation partners and external advisors in the issuance of Products, e.g. in the composition and adjustment of a basket or index. It is possible that such cooperation partners and advisors may pursue their own interests in the course of an issuance by the Issuer and when providing their associated advice. A conflict of interest of advisors may mean that they make an investment decision or suggestion in their own interest rather than in the interest of the investors.

Additional product-specific interests (including conflicting ones) of individuals or legal entities involved in the issue are set out, if relevant, in the applicable Final Terms under "Interests of natural and legal persons involved in the issue/offer" under "Part II - Additional Information".

*(b) Description of the Products*

The Products are derivative instruments. The amount due at maturity of a Product is dependent on the value of the underlying at the corresponding time. The Products may be linked to Shares, Participation Certificates (*Genussscheine*), Indices, Securities representing shares, Currency Exchange Rates, Commodities, Futures Contracts, Shares in a Fund, Fixed Rate Instruments, Derivative Instruments, Interest Rates and/or Reference Rates or baskets thereof. Any such underlying or component of the basket may constitute a benchmark for the purposes of the Benchmarks Regulation (Regulation (EU) 2016/1011) (the "**Benchmark Regulation**"). If any such underlying and/or component of the basket does constitute such a benchmark, the Final Terms will indicate whether or not the benchmark is provided by an administrator 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 Benchmark Regulation. Not every underlying and/or component of a basket will fall within the scope of the Benchmark Regulation. Furthermore, transitional provisions in the Benchmark Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the applicable Final Terms. The registration status of any administrator under the Benchmark Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the Final Terms to reflect any change in the registration status of an administrator.

A description and the source of information regarding information about the past and the future performance and volatility of the Underlying and/or Basket Components is specified under "Information relating to the Underlying" in the applicable Final Terms.

In case of an index and if such index is provided by a legal entity or a natural person acting in association with, or on behalf of, the respective Issuer the respective Issuer makes the following statements:

- the complete set of rules of the index and information on the performance of the index are freely accessible on the Issuer's or the Index Sponsor's website; and
- the governing rules (including methodology of the index for the selection and the rebalancing of the components of the index, description of market disruption events and adjustment rules) are based on predetermined and objective criteria.

The relevant German securities identification number (WKN) and/or the International Securities Identification Number (ISIN) and/or the Valor Number or any other relevant identification number as well as the SIX Symbol of a Product are specified in Table 1 of the annex to the Issue Specific Conditions in the applicable Final Terms.

The Issuer may issue the products under this Base Prospectus – depending on the respective market conditions and requests from sales partners - without collateral security or with collateral security in the form of a COSI securitization (for details of COSI securitization see section IV.3 below of the Base Prospectus) or TCM securitization (for details of TCM securitizations see section IV.4 below of the Base Pro-

#### IV. INFORMATION ABOUT THE PRODUCTS

spectus). The final terms will indicate whether COSI or TCM applies to a particular product, or whether neither COSI nor TCM applies.

The key differences between COSI and TCM collateralisation include the following:

	<b>COSI securitization</b>	<b>TCM securitization</b>
<b>Collateralisation basis</b>	Collateral is provided on the basis of the terms of a framework agreement published by SIX Swiss Exchange AG; collateral is provided for all COSI Secured Products in their entirety	Collateral is provided on the basis of a specific TCM Security Agreement of the Issuer with SIX SIS AG and SIX Repo AG (as direct representative of the investors); each product is collateralized individually
<b>Term</b>	COSI collateralisation possible for products with a maturity of up to 10 years	TCM collateralisation possible for products with a maturity of up to 5 years and, for products with no maturity limit, with a notice period of 5 years or less
<b>Trading on the stock exchange</b>	COSI collateralisation only for products listed on SIX Swiss Exchange AG	TCM collateralisation only for products not listed on a regulated market
<b>Calculation of collateral value</b>	Independent valuation of the product and lien by SIX Swiss Exchange AG	The product is valued by the Issuer or the Calculation Agent and the valuation of the lien is carried out by SIX SIS AG
<b>Eligible collateral</b>	A definitive list of eligible collateral is contained in the framework agreement	A binding list of eligible collateral is contained in the TCM Security Agreement
<b>Realisation event and payment</b>	Realisation Events are defined in the framework agreement; occurrence of a Realisation Event results in all of the Issuer's COSI products automatically becoming due and payable; the proceeds of the liquidation are paid out to investors by SIX Swiss Ex-	The Security Agreement defines the possible Realisation Events; occurrence of a Realisation Event triggers liquidation of the relevant TCM Secured Product; payment of the liquidation proceeds to the holder of the TCM Secured Product is made by the

#### IV. INFORMATION ABOUT THE PRODUCTS

	change AG	Collateral Agent acting under the TCM Security Agreement as the direct representative of the holder of the TCM Secured Product
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(c) *Applicable law*

The form and content of the Products and the rights and duties of the Issuer and the Holders (also referred to as "investor") will be governed by German law or Swiss law, as set out for each series of Products in the applicable Final Terms.

(d) *Currency of the Products*

The Settlement Currency of the issue is set out in Table 1 of the annex to the Issue Specific Conditions in the applicable Final Terms.

(e) *Form, delivery*

In the case of **Swiss law** as applicable law it has to be distinguished between the following cases:

(i) In the case of uncertificated securities the Products are issued during their term as uncertificated securities (*Wertrechte*) (the "**Uncertificated Securities**") created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*). Once the uncertificated securities are registered in the main register (*Hauptregister*) of the Custody Agent (*Verwahrungsstelle*) and entered into one or more securities accounts, the Products constitute intermediated securities (*Bucheffekten*) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*). Intermediated securities may only be disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by the entry of the transferred Products in a securities account of the transferee. Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (Dauerglobalurkunde) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

(ii) In the case of a Permanent Global Note kept in custody by Clearstream Banking AG, Frankfurt am Main, Mergenthalerallee 61, 65760 Eschborn, Germany ("**CBF**") or by Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium ("**Euroclear**") the Products are represented during their term by a Permanent Global Note which is kept in custody by or on



#### IV. INFORMATION ABOUT THE PRODUCTS

behalf of the Clearing System. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions.

(iii) In the case of a Permanent Global Note kept in custody by SIX SIS AG, Pfingstweidstrasse 110, 8021 Zurich, Switzerland or any other custody agent according to Swiss Federal Intermediated Securities Act the Products are represented during their term by a permanent global note (*Dauerglobalurkunde*) which is deposited with the Custody Agent and entered into one or more securities accounts. Once entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Intermediated securities may be only disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities. Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*).

In the case of intermediated securities irrespective of whether created based on a Permanent Global Note or uncertificated securities the records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Security Papers may only be printed for the Products, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful. Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Security Papers shall be delivered to the Holders only against cancellation of the Intermediated Securities in the Holder's securities accounts.

#### IV. INFORMATION ABOUT THE PRODUCTS

Via the account relation of a Swiss custody agent with foreign central custodians (*Zentralverwahrer*), it is secured that in case of an offering in Germany with Clearstream Banking AG, Frankfurt the Products will be fungible for investors outside Switzerland.

In the case of **German law** as governing law the Products are bearer notes. The Products are represented by a Permanent Global Note or, if provided for in the applicable Final Terms, by a Temporary Global Note which is exchangeable against a Permanent Global Note.

In the case of a Permanent Global Note kept in custody by Clearstream Banking AG, Frankfurt am Main, Mergenthalerallee 61, 65760 Eschborn, Germany ("CBF"), or by Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium ("**Euroclear**") the Permanent Global Note is kept in custody during the term of the Products by or on behalf of the Clearing System. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests or rights, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and applicable law.

If provided for in the applicable Final Terms, the Products are represented by a temporary global note (the "**Temporary Global Note**") at the time of issuance, which will be exchangeable for a permanent global note the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") against certification of non-U.S. beneficial ownership. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interest, an economic ownership right or similar right in the Global Note which are transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.

In the case of a Permanent Global Note kept in custody by SIX SIS AG, Pfingstweidstrasse 110, 8021 Zurich, Switzerland or any other custody agent according to Swiss Federal Intermediated Securities Act, the Permanent Global Note is kept in custody by the Custody Agent. As soon as the Permanent Global Note has been deposited with the Custody Agent pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities (*Bucheffekten*) pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). For as long as the Permanent Global Note is deposited with the Custody Agent, the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act, i.e. by crediting the Products to be transferred in a securities account of the recipient. The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For Products which constitute intermediated securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products.

(f) *Description of the rights attached to the Products and consequences of market disruptions*

The right to demand payment of the Redemption Amount and/or delivery under the Products is specified in § 4 of the Issue Specific Conditions.

Any consequences of market disruptions are specified in the Underlying Specific Conditions.

Any consequences of adjustments are specified in the Underlying Specific Conditions.

(g) *Ranking of the Products*

The ranking of the Products is set out in § 2 of the Issue Specific Conditions.

In the case of COSI (*Collateral Secured Instruments – Pfandbesicherte Produkte*) or TCM (*Triparty Collateral Management - TCM secured structured Products*) the Products are collateralised pursuant to the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.

In the case of Products that are not collateralized, i.e. in the case of Products for which COSI is not applicable, the Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.

(h) *Resolutions in respect of the issue of the Products*

An internal general resolution on the issue of Products under the European Programme was passed by the Issuer on 18 April 2012. No further authorisations are required in relation to the individual issues.

(i) *Use of proceeds from the sale of the Products*

The proceeds from the sale of the Products are used for hedging the payment obligations arising from the issue of the Products and for the purposes of the Issuer's ordinary business activities.

(j) *Conditions of the offer, issue price, issue date, commissions and valuation*

Leonteq Securities AG, Europaallee 39, 8004 Zurich, Switzerland will be acting as Lead Manager (the "**Lead Manager**") with respect to the Products issued under the European Programme.

The start of the public offering of the Products, any applicable subscription period, the description of the subscription process, manner and date in which results of the offer are to be made public, the Minimum Investment Amount, the Maximum Investment Amount, the Issue Price (as well as any further costs in addition to the Issue Price (plus a surcharge, if applicable) or the purchase price charged to the investor by

#### IV. INFORMATION ABOUT THE PRODUCTS

the Issuer or the Lead Manager), the Issue Date and the Issue Size will be specified in the applicable Final Terms. In the case of Products with a subscription period the Issuer reserves the right to end the subscription period prematurely or, as the case may be, to extend it. It is not obliged to accept subscription orders. Partial allocations are possible (in particular in the event of oversubscription). The Issuer is not obliged to issue subscribed Products. If the subscription period is ended early or, as the case may be, is extended or if no issue takes place, the Issuer shall publish a notice.

The Issue Price and the selling prices quoted on the secondary market may include commissions paid to distribution partners from the proceeds of the issue as payment for distribution services. Any commission may be based on turnover and may be paid as a one-off payment or on a pro-rata basis over the term of the Products. A distinction is to be made between sales commission and trailer fees. Sales commission is paid as a one-off payment from the proceeds of the issue; alternatively, the Lead Manager grants the distribution partner a corresponding discount on the Issue Price (including any agio) or the selling price quoted in the secondary market. Trailer fees shall be paid to the distribution partners periodically, for example from the Management Fee, based on the portfolio.

Depending on its value, the commission can be a) relevant fees ("**Relevant Fees**") of up to 2% p.a. of the Issue Price, b) significant fees ("**Significant Fees**") of up to 3.5% p.a. of the Issue Price or c) substantial fees ("**Substantial Fees**") of more than 3.5% p.a. of the Issue Price.

The applicable Final Terms will stipulate whether Relevant Fees, Significant Fees or Substantial Fees will be paid to distribution partners or whether no commissions will be paid for a Product.

The selling prices are in addition to the costs and fees charged to the investor by its bank or financial services provider. The initial settlement date shall be the Issue Date shown in the applicable Final Terms. No specific method of delivery has been stipulated for the Products.

If relevant, information about the entities agreeing to underwrite the issue, the date of underwriting agreement and the name and the address of financial intermediaries may be set out in "Part II – Additional Information" in the applicable Final Terms.

##### *(k) Pricing of the Products and factors influencing the price of the Products*

The Issue Price of the Products is set by the Issuer by taking into account several price relevant factors, including the price of the Underlying, the current interest rate, anticipated dividends and other product-specific criteria. Furthermore, the Issue Price may include an issue premium which is intended to cover commissions for the Issuer or other ancillary costs arising in connection with the issue and hedging of the respective Products. The Issue Price is set out in the applicable Final Terms, and any further prices of the Products are determined at the Issuer's reasonable discretion according to market conditions.

Any costs and disbursements incurred by a Holder in connection with a secondary purchase of the Products are beyond the control of the Issuer.

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*(l) Listing and trading*

The Issuer may introduce or apply for admission of the Products to one or more stock exchange(s) (e.g. to the SIX Swiss Exchange or to the Open Market of the Frankfurt Stock Exchange) or multilateral trading system(s) or unregulated market(s). However, the Issuer and the Lead Manager do not assume any legal obligation in respect of the realisation of admission to trading on an exchange as at the Scheduled First Trading Day specified in the applicable Final Terms or the maintenance of any admission to trading that is realised. An admission to trading on a regulated market is not intended.

The Issuer may also issue Products which are not admitted to trading or listed on any market.

Products of the same class may have been admitted to trading on the same or another market already.

Information in relation to an intended listing and the intended first trading date will be set out in the applicable Final Terms. Furthermore, information concerning a public offer attaching to the issue of the Products will be set out in the applicable Final Terms, if any.

Bid and offer prices for the Products on the secondary market shall be quoted on each day of trading during the quoting period as specified in the applicable Final Terms under normal market conditions by the Market Maker and pursuant to the exchange rules and regulations. Information about the relevant market maket and the secondary market will be set out in the applicable Final Terms.

*(m) Publication of post-issuance information*

Unless otherwise specified in the applicable Final Terms, the Issuer does not intend to publish any post-issuance information with the exception of the notices referred to in the Terms and Conditions.

*(n) Continuation of the public offer and increases of Products*

Under this Base Prospectus the public offer is being continued for the following Products which have been originally issued under the respective base prospectus specified below and/or for which the public offer was lastly continued under Base Prospectus dated 27 June 2018.

<b>ISIN</b>	<b>ISIN</b>	<b>ISIN</b>	<b>ISIN</b>
CH0372886009	CH0411116137	CH0442257835	CH0465312038
CH0373628160	CH0419583239	CH0445341339	CH0465312954
CH0373628277	CH0419583262	CH0445342725	CH0465315098
CH0373628301	CH0423434437	CH0445342832	CH0468124067
CH0377502015	CH0355522068	CH0445342881	CH0468124778

IV. INFORMATION ABOUT THE PRODUCTS

CH0377502031	CH0360189028	CH0445342980	CH0468124786
CH0360187618	CH0366218227	CH0445343095	CH0468124810
CH0377503369	CH0366223086	CH0445343103	CH0468125452
CH0377503021	CH0372885449	CH0445343483	CH0468126278
CH0381808341	CH0404593649	CH0445343509	CH0468126344
CH0381807806	CH0423432001	CH0445343616	CH0468126591
CH0381807814	CH0423432019	CH0445343624	CH0468126617
CH0381807822	CH0423432043	CH0445343632	CH0468127953
CH0383853212	CH0423432068	CH0445343764	CH0468128084
CH0383853139	CH0423432746	CH0445343889	CH0468128126
CH0383853535	CH0423432761	CH0445344085	CH0468128159
CH0383854814	CH0423433090	CH0445344549	CH0468128175
CH0383854657	CH0423433579	CH0445344721	CH0468128191
CH0381809265	CH0423433595	CH0445344739	CH0468128209
CH0385000614	CH0423433645	CH0445344770	CH0468128423
CH0385002776	CH0423433892	CH0445345272	CH0468128563
CH0385002784	CH0423435012	CH0451137043	CH0470803906
CH0383854343	CH0423435038	CH0451137100	CH0470803914
CH0385003295	CH0423435046	CH0451137316	CH0470804144
CH0385003394	CH0423435160	CH0451137753	CH0470804151
CH0387883330	CH0423435368	CH0451138959	CH0470804649
CH0387883348	CH0423436226	CH0451139205	CH0470804656
CH0387883470	CH0423436556	CH0451139221	CH0470804730
CH0387883538	CH0423436820	CH0451139239	CH0470805026
CH0387883801	CH0423436846	CH0451139247	CH0470805059
CH0387883819	CH0423437406	CH0451139395	CH0470805158
CH0387885384	CH0423437646	CH0451139437	CH0470805521
CH0392530488	CH0430275179	CH0451139502	CH0470806685
CH0392530868	CH0430275187	CH0451139726	CH0470806867

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CH0392531056	CH0430275195	CH0451139734	CH0470808871
CH0392531288	CH0430275401	CH0451139759	CH0470808889
CH0392531379	CH0430277670	CH0451139957	CH0470808897
CH0394531526	CH0430278058	CH0451140674	CH0470808905
CH0396946540	CH0430278066	CH0451140690	CH0470808913
CH0396946557	CH0430278884	CH0451141250	CH0470808996
CH0394532334	CH0430278991	CH0456758207	CH0470809002
CH0396946656	CH0433736474	CH0456758264	CH0475334683
CH0396946888	CH0433736490	CH0456758272	CH0475334972
CH0396946896	CH0433736516	CH0456758561	CH0475335060
CH0396947316	CH0433736896	CH0456758629	CH0475335177
CH0396948850	CH0433737480	CH0456758645	CH0475335185
CH0396942705	CH0433737621	CH0456758868	CH0475335581
CH0396948868	CH0433738355	CH0456758876	CH0475335664
CH0396949452	CH0433738496	CH0456758884	CH0475336803
CH0396949478	CH0433738595	CH0456758892	CH0475336977
CH0396949692	CH0433738603	CH0456759015	CH0475337025
CH0396949742	CH0433738652	CH0456759213	CH0475337132
CH0402353806	CH0433738660	CH0456759387	CH0475337157
CH0402353871	CH0433740427	CH0456759643	CH0475337488
CH0402353848	CH0433740468	CH0456759817	CH0475337520
CH0402353855	CH0433740500	CH0456761490	CH0475337546
CH0402353996	CH0433740518	CH0456761631	CH0475338577
CH0402354002	CH0433740609	CH0456761649	CH0475338718
CH0402354010	CH0433741334	CH0456761656	CH0475338775
CH0402354317	CH0433741441	CH0456761714	CH0475338932
CH0402352857	CH0433741649	CH0456761722	CH0475339740
CH0402352865	CH0433741813	CH0456761888	CH0478386284
CH0402353509	CH0433743173	CH0456762373	CH0478386607

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CH0404585116	CH0433743264	CH0456762498	CH0478386672
CH0404585132	CH0433743603	CH0461382639	CH0478386821
CH0402354887	CH0433744494	CH0461382829	CH0478387068
CH0402354895	CH0433744668	CH0461383074	CH0478387365
CH0402354903	CH0433744718	CH0461384387	CH0478387373
CH0402355082	CH0433744734	CH0461384445	CH0478387662
CH0402355637	CH0433745244	CH0461384486	CH0478387753
CH0402355868	CH0433745368	CH0461384510	CH0478387803
CH0404586759	CH0433745376	CH0461384619	CH0478387969
CH0402356064	CH0433745392	CH0461384684	CH0478388124
CH0404583913	CH0433745731	CH0461384700	CH0478388165
CH0404588250	CH0433745848	CH0461384718	CH0478388181
CH0404584424	CH0438949650	CH0461384866	CH0478388249
CH0404584572	CH0438949692	CH0461385152	CH0478388488
CH0404588144	CH0438949734	CH0461385186	CH0478388884
CH0404588169	CH0438949825	CH0461385210	CH0478389478
CH0404587534	CH0438949973	CH0461385228	CH0478389486
CH0411111328	CH0438949981	CH0461385483	CH0478389494
CH0411111492	CH0438950070	CH0461385541	CH0478389551
CH04111110007	CH0438950088	CH0461386796	CH0478391672
CH04111110031	CH0438950096	CH0461386804	CH0478391995
CH04111110080	CH0438950112	CH0461386994	CH0481327044
CH04111112367	CH0438950278	CH0461387000	CH0478390682
CH04111112987	CH0438950435	CH0461387018	CH0478390690
CH04111113159	CH0438950534	CH0465310271	CH0478390708
CH04111114553	CH0438950542	CH0465310339	CH0481327168
CH04111114561	CH0438950690	CH0465310396	CH0478390989
CH04111113423	CH0438950823	CH0465310404	CH0478390997
CH04111115923	CH0438951235	CH0465310412	CH0473353099



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CH0411113431	CH0438951383	CH0465310446	CH0478390963
CH0411113464	CH0438952258	CH0465310750	CH0478390971
CH0411116079	CH0438952548	CH0465310768	CH0481327564
CH0411116780	CH0438952613	CH0465310792	CH0481327770
CH0411116798	CH0438952712	CH0465310933	CH0481327846
CH0411116426	CH0438952795	CH0465311014	CH0481328133
CH0411117929	CH0438952878	CH0465311071	CH0481328141
CH0419581035	CH0438953827	CH0465311410	CH0481328737
CH0411119164	CH0442256217	CH0465311535	CH0473353081
CH0419581431	CH0442256423	CH0465311568	CH0481327119
CH0419581449	CH0442256506	CH0465311741	
CH0419579492	CH0442256555	CH0465311766	
CH0419579583	CH0442256571	CH0465311808	

The Final Terms in relation to the Products mentioned above are published on the website [www.leonteq.com](http://www.leonteq.com) (under "Our Services" – "Investment Solutions" – "Structured Products" – on the relevant product site – retrievable by the relevant securities identification number for the Product in the search field).

For the purpose of the continuation of the public offer the Form of Final Terms of the Base Prospectus dated 29 June 2016 and the Form of Final Terms of the Base Prospectus dated 29 June 2017 and the Form of Final Terms of the Base Prospectus dated 27 June 2018 are incorporated by reference into this Base Prospectus (see also section "X. Documents Incorporated by Reference" of the Base Prospectus).

In addition, under this Base Prospectus Final Terms may be prepared in order to increase the issue size of Products, which have been issued under this Base Prospectus, the Base Prospectus dated 29 June 2016 or the Base Prospectus dated 29 June 2017 or the Base Prospectus dated 27 June 2018.

The Terms and Conditions, consisting of the Issue Specific Conditions and the General Conditions, contained in the Base Prospectus dated 29 June 2016 and the Terms and Conditions, consisting of the Issue Specific Conditions and the General Conditions, contained in the Base Prospectus dated 29 June 2016 and the Terms and Conditions, consisting of the Issue Specific Conditions and the General Conditions, contained in the Base Prospectus dated 27 June 2018 (each the "**First Base Prospectus**") are incorporated by reference into this Base Prospectus dated 18 June 2019 in accordance with section 11 WpPG (see also section "X. Documents Incorporated by Reference" of the Base Prospectus).

In the case of a continuation of a public offer of Products which have been initially offered to the public under the First Base Prospectus or in case of an increase of Products issued under the First Base Prospectus, the Terms and Conditions of the First Base Prospectus apply instead of the Terms and Conditions of this Base Prospectus dated 18 June 2019.

2. **Explanation of mechanism of Products**

***Product No. 1. Explanation of mechanism of Bonus Certificates with Cash Settlement***

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.

(i) If no Barrier Event occurs, the Redemption Amount (that will, if provided for in the applicable Final Terms, take also into account the performance of the relevant exchange rate) equals the Final Fixing Level taking into account the Conversion Ratio or, if provided for in the Final Terms the Issue Price taking into account the performance of the Underlying or, if provided for in the Final Terms, the Issue Price multiplied by the quotient of the Final Basket Value and the Initial Basket Value. However, the Redemption Amount equals at least the Minimum Redemption Amount (which is equal to the Bonus Level multiplied by the Conversion Ratio or the Issue Price or the Denomination, as the case may be), if no Barrier Event has occurred and, if provided for in the Final Terms, the Final Basket Value is equal to or below the Initial Basket Value multiplied by the Bonus Level.

(ii) If a Barrier Event has occurred, the Redemption Amount (that will, if provided for in the applicable Final Terms, take also into account the performance of the relevant exchange rate) is no longer at least equal to the Minimum Redemption Amount, but is always equal to the Final Fixing Level taking into account the Conversion Ratio or, if provided for in the Final Terms, the Issue Price taking into account the performance of the Underlying or, if provided for in the Final Terms, the Issue Price multiplied by the quotient of the Final Basket Value and the Initial Basket Value. In this case the Holder participates 1:1 in the performance of the Underlying.

If provided for in the applicable Final Terms the Holder receives a coupon payment on the respective Coupon Payment Date. The amount of the coupon payment depends on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

The applicable Final Terms may also provide for a determination of the Redemption Amount as follows:

(i) Provided that no Barrier Event has occurred the Redemption Amount is determined as follows (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms):

- (a) If the Final Fixing Level of the Underlying or the Final Fixing Level of the worst and/or best performing Basket Component or the Final Basket Value is equal to or below the Initial Fixing

Level of the Underlying multiplied by the Bonus Level or the Final Fixing Level of worst and/or best performing Basket Component multiplied by the Bonus Level or the Initial Basket Value multiplied by the Bonus Level, the Redemption Amount equals the Bonus Level multiplied by the Denomination and/or, if provided for in the applicable Final Terms, the Issue Price (the "**Minimum Redemption Amount**").

(b) If the Final Fixing Level of the Underlying or the Final Fixing Level of the worst and/or best performing Basket Component or the Final Basket Value is above the Initial Fixing Level of the Underlying multiplied by the Bonus Level or the Final Fixing Level of worst and/or best performing Basket Component multiplied by the Bonus Level or the Initial Basket Value multiplied by the Bonus Level, the Redemption Amount equals the Denomination and/or, if provided for in the applicable Final Terms, the Issue Price multiplied by the sum of (A) the Bonus Level and (B) the Participation Factor multiplied by the difference between (i) the performance of the Underlying or the performance of the worst and/or best performing Basket Component or the performance of the Basket and (ii) the Bonus Level.

(ii) If a Barrier Event has occurred the Redemption amount equals the Denomination and/or, if provided for in the applicable Final Terms, the Issue Price multiplied by the performance of the Underlying, the performance of the worst and/or best performing Basket Component or the performance of the Basket (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

If provided for in the applicable Final Terms the Holder receives a coupon payment on the respective Coupon Payment Date. The amount of the coupon payment depends on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

The relevant Barrier Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs, for example, if a Price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier. The Bonus Level is a minimum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

The investors do not have any claim to or arising out of the Underlying (e.g. voting rights, dividends).

***Product No. 2. Explanation of mechanism of Bonus Certificates with potential Physical Settlement***

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency or the physical delivery of the Underlying depending on the performance of the Underlying.

(i) If (a) no Barrier Event occurs and (b) the Final Fixing Level is equal to or below the Initial Fixing Price multiplied by the Bonus Level, the Redemption Amount equals the Minimum Redemption Amount

(which is equal to the Bonus Level multiplied by the Issue Price and, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate).

(ii) In all other cases the Holder receives delivery of a certain number of the Underlying expressed by the Conversion Ratio. Fractions of the Underlying are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.

If provided for in the applicable Final Terms the Holder receives a coupon payment on the respective Coupon Payment Date. The amount of the coupon payment depends on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

The relevant Barrier Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs, for example, if a Price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier. The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Bonus Level is a minimum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

***Product No. 3. Explanation of mechanism of Capped Bonus Certificates with Cash Settlement and with par value***

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.

(i) If (a) no Barrier Event occurs and (b) the Final Basket Value is equal to or below the Initial Basket Value multiplied by the Bonus Level, the Redemption Amount equals the Minimum Redemption Amount (which is equal to the Denomination multiplied by the Bonus Level and, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate).

(ii) In all other cases the Redemption Amount equals the Denomination taking into account the performance of the Underlying, whereby the Redemption Amount does not exceed the Maximum Redemption Amount (which is equal to the Denomination multiplied by the Cap Level and, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate).

If provided for in the applicable Final Terms the Holder receives a coupon payment on the respective Coupon Payment Date. The amount of the coupon payment depends on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

The relevant Barrier Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs, for example, if a Price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier. The Bonus Level is a minimum redemption factor as defined

in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Cap Level is a maximum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

***Product No. 4. Explanation of mechanism of Capped Bonus Certificates with Cash Settlement and without par value***

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying and/or the Basket Components.

(i) If no Barrier Event occurs or, if provided for in the applicable Final Terms, a Barrier Event occurs and the Final Fixing Level of the Underlying or the Basket Component with the Worst Performance is above the Initial Fixing Level multiplied by the Bonus Level, the Redemption Amount equals the Minimum Redemption Amount (which is equal to the Issue Price multiplied by the Bonus Level and, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate).

(ii) In all other cases the Redemption Amount equals the Issue Price taking into account the performance of the Underlying and/or the Basket Components, whereby the Redemption Amount does not exceed the Maximum Redemption Amount (which is equal to the Issue Price multiplied by the Cap Level) and, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate.

If provided for in the applicable Final Terms the Holder receives a coupon payment on the respective Coupon Payment Date. The amount of the coupon payment depends on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

The relevant Barrier Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs, for example, if a Price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier. The Final Fixing Level is the closing price of the Underlying and/or the Basket Component at the end of the term of the Product or any other value of the Underlying and/or the Basket Components as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Bonus Level is a minimum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Cap Level is a maximum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

The investors do not have any claim to or arising out of the Underlying and/or the Basket Components (e.g. voting rights, dividends).

***Product No. 5. Explanation of mechanism of Capped Bonus Certificates with potential Physical Settlement***

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency or the physical delivery of the Underlying depending on the performance of the Underlying.

(i) If (a) no Barrier Event occurs or – if provided for in the Final Terms - (b) a Barrier Event occurs and the Final Fixing Level is above the Issue Price multiplied by the Bonus Level, the Redemption Amount equals the Minimum Redemption Amount (which is equal to the Bonus Level multiplied by the Issue Price and, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate). The Redemption Amount does not exceed the Maximum Redemption Amount (which is equal to the Issue Price multiplied by the Cap Level and, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate).

(ii) In all other cases the Holder receives delivery of a certain number of the Underlying expressed by the Conversion Ratio. Fractions of the Underlying are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.

If provided for in the applicable Final Terms the Holder receives a coupon payment on the respective Coupon Payment Date. The amount of the coupon payment depends on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

The relevant Barrier Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs, for example, if a Price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier. The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Bonus Level is a minimum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Cap Level is a maximum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

***Product No. 6. Explanation of mechanism of Notes (Reverse Convertibles) with Cash Settlement***

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.

(i) If the Final Fixing Level is above the Strike Level, the Holder receives the Denomination, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate. The Denomination, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate, is the maximum amount that the Holder may receive as a Redemption Amount.

(ii) If the Final Fixing Level is equal to or below the Strike Level, the Holder receives a Redemption Amount in the amount of the Denomination taking into account the performance of the Underlying and, if provided for in the applicable Final Terms, taking also into account the performance of the relevant exchange rate. This amount is generally less than the Denomination.

The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

A further feature of the Products is that the Holder receives a Coupon Amount (that takes also into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms) on one or more Coupon Payment Dates specified in the Final Terms. The coupon payment is independent of the performance of the Underlying.

***Product No. 7. Explanation of mechanism of Notes (Reverse Convertibles) with potential Physical Settlement***

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency or the physical delivery of the Underlying depending on the performance of the Underlying.

(i) If the Final Fixing Level is above the Strike Level, the Holder receives the Denomination, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate. The Denomination, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate, is the maximum amount that the Holder may receive as a Redemption Amount.

(ii) If the Final Fixing Level is equal to or below the Strike Level, the Holder receives a certain number of the Underlying expressed by the Conversion Ratio. Fractions of the Underlying are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions. This equivalent value of the delivered Underlyings is generally less than the Denomination.

The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

A further feature of the Products is that the Holder receives a Coupon Amount (that takes also into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms) on one or more Coupon Payment Dates specified in the Final Terms. The coupon payment is independent of the performance of the Underlying.

***Product No. 8. Explanation of mechanism of Notes (Barrier Reverse Convertibles) with Cash Settlement***

In the case of these Products the Holder receives a Redemption Amount in the Settlement Currency on the Redemption Date, determined as follows:

(i) If no Barrier Event has occurred or, if provided in the Final Terms, a Barrier Event has occurred and the Final Fixing Level is above the Initial Fixing Level, the Holder receives the Denomination, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate. The Denomination, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate, is the maximum amount that the Holder may receive as a Redemption Amount.

(ii) In all other cases the Holder receives a Redemption Amount in the amount of the Denomination taking into account the performance of the Underlying and, if provided for in the applicable Final Terms, the performance of the relevant exchange rate, or, in the case of a Basket as Underlying, of the Denomination taking into account the performance of the Basket Component with the worst performance and, if provided for in the applicable Final Terms, the performance of the relevant exchange rate.

The relevant Barrier Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs, for example, if a Price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier.

The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

A further feature of the Product is that the Holder receives a coupon payment on one or more Coupon Payment Dates specified in the Final Terms. The coupon payment is independent of the performance of the Underlying. If provided for in the applicable Final Terms, the amount of the coupon payment may depend on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

***Product No. 9. Explanation of mechanism of Notes (Barrier Reverse Convertibles) with potential Physical Settlement***

In the case of these Products the Holder receives a settlement amount in the Settlement Currency (cash amount or delivery of the Underlying) on the Redemption Date, determined as follows:

(i) If no Barrier Event has occurred or, if provided for in the Final Terms, a Barrier Event has occurred and the Final Fixing Level is above the Initial Fixing Level the Holder receives the Denomination, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate. The



Denomination, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate, is the maximum amount that the Holder may receive as a Redemption Amount.

(ii) In all other cases, the Holder receives delivery of a certain number of the Underlying or, in the case of a Basket as Underlying, of the Basket Component with the Worst Performance, expressed by the Conversion Ratio. Fractions of the Underlying or the Basket Component are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.

The relevant Barrier Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs, for example, if a Price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier. The Final Fixing Level is the closing price of the Underlying and/or the respective Basket Component at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

A further feature of the Product is that the Holder receives a coupon payment on one or more Coupon Payment Dates specified in the Final Terms. The coupon payment is independent of the performance of the Underlying. If provided for in the applicable Final Terms, the amount of the coupon payment may depend on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

***Product No. 10. Explanation of mechanism of Discount Certificates with Cash Settlement***

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency, the amount of which depends on the performance of the Underlying.

(i) If the Final Fixing Level is equal to or below the Cap Level, the Redemption Amount equals the Final Fixing Level taking into account the Conversion Ratio, if provided for in the applicable Final Terms, the performance of the relevant exchange rate.

(ii) If the Final Fixing Level is above the Cap Level, the Redemption Amount equals the Maximum Redemption Amount (which is equal to the Cap Level taking into account the Conversion Ratio and, if provided for in the applicable Final Terms, the performance of the relevant exchange rate).

The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Cap Level is a maximum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

Investors do not have any claim to or arising out of the Underlying (e.g. voting rights, dividends).

***Product No. 11. Explanation of mechanism of Discount Certificates with potential Physical Settlement***

In the case of these Products, on the Redemption Date investors receive a Redemption Amount in the Settlement Currency or a certain number of the Underlying depending on the performance of the Underlying.

(i) If the Final Fixing Level is above the Cap Level, the Redemption Amount equals the Maximum Redemption Amount (which is equal to the Cap Level taking into account the Conversion Ratio and, if provided for in the applicable Final Terms, the performance of the relevant exchange rate).

(ii) If the Final Fixing Level is equal to or below the Cap Level, the Holder receives delivery of a certain number of the Underlying expressed by the Conversion Ratio. Fractions of the Underlying are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.

The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Cap Level is a maximum redemption factor as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

***Product No. 12. Explanation of mechanism of Express Certificates with Cash Settlement and without par value***

The Products have the characteristic such that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount in the Settlement Currency equals the Issue Price and/or the Reference Amount, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate, plus, if provided for in the applicable Final Terms, the Early Redemption Coupon Amount allocated to the Autocall Observation Date on which the Autocall Event has occurred, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate. If provided for in the applicable Final Terms, the Redemption Amount may also be equal to the Issue Price multiplied by the performance of the Basket on the relevant Autocall Observation Date, whereby the Redemption Amount in this case will not be lower than the Minimum Early Redemption Amount specified in the applicable Final Terms (if provided for in the applicable Final Terms, the result will be multiplied by the performance of the relevant exchange rate).

An Autocall Event occurs if on an Autocall Observation Date the Reference Price exceeds the Autocall Trigger Level or, in the case of a Basket as Underlying, if the Reference Prices of the relevant Basket Components exceed the Autocall Trigger Level.

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If an early redemption does not occur, the performance of the Underlying and/or the Basket Components, if provided for in the applicable Final Terms, above the Strike Level, determines the level of the Redemption Amount:

If provided for in the applicable Final Terms, the Redemption Amount equals the Issue Price and/or the Reference Amount, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate, and further multiplied the performance of the Underlying or, if provided for in the applicable Final Terms, the development of the Basket Component with the worst performance if a Barrier Event has occurred, whereby, if provided for in the applicable Final Terms, the result will equal at least the Issue Price multiplied by the Minimum Redemption Factor. If no Barrier Event has occurred the Redemption Amount is determined as follows: (i) If the Final Fixing Level is equal to or below the Initial Fixing Level, the Redemption Amount equals the Issue Price and/or the Reference Amount multiplied by the difference between 200 % and the performance of the Underlying or, if provided for in the applicable Final Terms, the development of the Basket Component with the worst performance, in each case, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate. (ii) If the Final Fixing Level is above the Initial Fixing Level, the Redemption Amount equals the Issue Price and/or the Reference Amount multiplied by the performance of the Underlying or, if provided for in the applicable Final Terms, the development of the Basket Component with the worst performance, in each case, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate.

The applicable Final Terms may also provide for a determination of the Redemption Amount as follows:

(i) If a Lock-In Event has occurred, the Redemption Amount equals the Issue Price plus the Lock-In Coupon Amount.

(ii) If neither a Lock-In Event nor a Barrier Event has occurred, the Redemption Amount equals the Issue Price.

(iii) If a Lock-In Event has not occurred, but a Barrier Event has occurred, the Redemption Amount equals the Issue Price multiplied by the Performance of the Underlying or, if provided for in the applicable Final Terms, the quotient of the Final Fixing Level of the Basket Component with the Worst Performance and its Initial Fixing Level and/or Strike Level.

The applicable Final Terms may also provide for a determination of the Redemption Amount as follows:

(i) If no Barrier Event occurred the Redemption Amount is equal to the Issue Price and/or the Reference Amount, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate. If provided for in the applicable Final Terms, the Redemption Amount is equal to the Issue Price and/or the Reference Amount, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate, as well if a Barrier Event has occurred, but the Final Fixing Level is above the Initial Fixing Level and/or the Strike Level.

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(ii) If the preconditions set out under (i) above are not satisfied the Redemption Amount equals the Issue Price and/or the Reference Amount taking into account the performance of the Underlying or, in the case of a Basket as Underlying, the development of the Basket Component with the worst performance, if provided for in the applicable Final Terms, above the Strike Level, in each case, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate. However, the Redemption Amount will not exceed the Issue Price and/or the Reference Amount, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate. The applicable Final Terms may also provide for the Redemption Amount to be equal, if provided for in the applicable Final Terms, at least, to the Issue Price and/or the Reference Amount multiplied by the Minimum Redemption Amount and, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate, as long as the requirements set out in (i) are not met.

The applicable Final Terms may also provide for a determination of the Redemption Amount as follows:

(i) If a Target One Event has occurred the Redemption Amount equals the Issue Price and/or the Reference Amount, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate.

(ii) If a Target One Event has not occurred and no Barrier Event has occurred the Redemption Amount equals the Issue Price and/or the Reference Amount, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate.

(iii) If a Target One Event has not occurred, but a Barrier Event has occurred the Redemption Amount equals the Issue Price and/or the Reference Amount multiplied by the performance of the Underlying or the performance of the worst and/or best performing Basket Component and, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate.

The relevant Lock-In Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms as well, if provided for the respective Product. The relevant Barrier Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs, for example, if a Price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier. The relevant Target One Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms as well, if provided for the respective Product.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount (that takes also into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms) on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying and/or Basket Components, but the Final Terms may also provide that the amount may be dependent of the development of a certain Reference Rate (e.g. a LIBOR rate). Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment and/or the amount of the coupon payment is conditional on the occurrence of a certain event in relation to the Underlying and/or the Basket Compo-

nents (e.g. the Underlying reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there would be no and/or a lower coupon payment for the applicable Coupon Payment Date. Unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts. If provided for in the applicable Final Terms, also the amount of the respective coupon payment may depend on the development of the Underlying and/or the Basket Components. If provided for in the applicable Final Terms, the amount of the coupon payment may depend on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

***Product No. 13. Explanation of mechanism of Express Certificates and/or Express Notes with Cash Settlement and with par value***

The Products have the characteristic such that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount in the Settlement Currency equals the Denomination and/or the Issue Price, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate, plus, if provided for in the applicable Final Terms, the Early Redemption Coupon Amount allocated to the Autocall Observation Date on which the Autocall Event has occurred, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate.

An Autocall Event occurs if on an Autocall Observation Date the Reference Price exceeds the Autocall Trigger Level or, in the case of a Basket as Underlying, if the Reference Price of all Basket Components exceed the Autocall Trigger Level.

If an early redemption does not occur, the performance of the Underlying and/or the Basket Components determines the level of the Redemption Amount.

(i) If no Barrier Event occurred and/or, if provided for in the Final Terms, the Final Fixing Level is above the Strike Level, the Redemption Amount is equal to the Denomination and/or the Issue Price, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate.

(ii) If the preconditions set out under (i) above are not satisfied the Redemption Amount equals the Denomination and/or the Issue Price, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate, and taking into account the performance of the Underlying or, in the

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case of a Basket as Underlying, the development of the Basket Component with the worst performance, if provided for in the applicable Final Terms, above the Strike Level. However, the Redemption Amount will not exceed the Denomination and/or the Issue Price, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate. The applicable Final Terms may also provide for the Redemption Amount to be equal to the Denomination and/or, if provided for in the applicable Final Terms, the Issue Price multiplied by the Minimum Redemption Amount and, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate, as long as the requirements set out in (i) are not met. The applicable Final Terms may also provide for the Redemption Amount to be equal to the Denomination and/or, if provided for in the applicable Final Terms, the Issue Price multiplied by, if provided for in the applicable Final Terms, the performance of the relevant exchange rate and further multiplied by the sum of (A) 100 % and (B) the Participation Factor multiplied by the difference between the performance of the Underlying or the performance of the worst and/or best performing Basket Component and 1, whereby the Redemption Amount is at least zero. If provided for in the applicable Final Terms the Redemption Amount equals the Denomination and/or, if provided for in the applicable Final Terms, the Issue Price multiplied by the Minimum Redemption Factor and, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate.

The relevant Barrier Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs, for example, if a Price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier.

Furthermore, Express Certificates and/or Express Notes with Cash Settlement and with par value have the characteristic such that the Holder may receive a Coupon Amount (that takes also into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms) on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying and/or Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on the occurrence of a certain event in relation to the Underlying and/or Basket Components (e.g. the Underlying reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts. If provided for in the applicable Final Terms, the amount of the coupon payment may depend on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

***Product No. 14. Explanation of mechanism of Tracker Certificates with Cash Settlement***

In the case of these Products, Holders receive a Redemption Amount in the Settlement Currency on the Redemption Date, the amount of which depends on the performance of the Underlying and/or the Basket Components. The Redemption Amount equals the Final Fixing Level taking into account the Conversion Ratio and, as the case may be, the Management Factor and/or the Basket Performance taking into account the Conversion Ratio and, as the case may be, the Management Factor and, as the case may be, the performance of the relevant exchange rate.

The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Basket Performance is the total of the Performances of the Basket Components contained in the Basket.

If provided for in the Final Terms, the Issuer has the right of ordinary termination of the Products. Furthermore the Final Terms may provide that the Holder is entitled to exercise the Products on Exercise Dates specified in the applicable Final Terms.

If the applicable Final Terms provide for a participation in dividend payments, this occurs only in the amount of net dividends actually received by the Issuer.

***Product No. 15. Explanation of mechanism of Open End Tracker Certificates with Cash Settlement***

Open End Tracker Certificates do not have a specified limited term. The term of the Products ends either (i) on the exercise of the Products by the Holders or (ii) on ordinary termination by the Issuer or (iii) on extraordinary termination by the Issuer.

In the case of these Products, Holders receive a Redemption Amount in the Settlement Currency on the Redemption Date, the amount of which depends on the performance of the Underlying. The Redemption Amount equals the Final Fixing Level taking into account the Conversion Ratio and, as the case may be, the Management Factor and/or the Basket Performance taking into account the Conversion Ratio and, as the case may be, the Management Factor and, as the case may be, the performance of the relevant exchange rate.

The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms. The Basket Performance is the total of the Performances of the Basket Components contained in the Basket.

If the applicable Final Terms provide for a participation in dividend payments, this occurs only in the amount of net dividends actually received by the Issuer.

***Product No. 16. Explanation of mechanism of Express Certificates with potential Physical Settlement and with par value***

The Products have the characteristic such that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount equals the Denomination, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate.

An Autocall Event occurs if on an Autocall Observation Date the Reference Price of the Underlying exceeds the Autocall Trigger Level or, in the case of a Basket as Underlying, if the Reference Price of all Basket Components exceed the Autocall Trigger Level.

If an early redemption does not occur, the performance of the Underlying and/or the Basket Components determines the level of the Redemption Amount and/or the type of settlement (cash settlement or physical delivery):

(i) If no Barrier Event has occurred or, if provided for in the Final Terms, a Barrier Event has occurred and the Final Fixing Level is above the Strike Level and/or the Initial Fixing Level or, if provided for in the Final Terms, the Final Fixing Level is above the Strike Level the Redemption Amount is equal to the Denomination, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate.

(ii) Otherwise, the Holder receives delivery of a certain number of the Underlying or, in the case of a Basket as Underlying, of the Basket Component with the Worst Performance, expressed by the Conversion Ratio. Fractions of the Underlying or the Basket Component are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.

The relevant Barrier Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs, for example, if a Price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount (that takes also into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms) on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying and/or Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional the occurrence of on a certain event in relation to the Underlying and/or Basket Components (e.g. reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts. If provided for in the applicable Final Terms, the



amount of the coupon payment may depend on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

***Product No. 17. Explanation of mechanism of Express Certificates with potential Physical Settlement and without par value***

The Products have the characteristic such that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount equals the Issue Price, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate.

An Autocall Event occurs if on an Autocall Observation Date the Reference Price of the Underlying exceeds the Autocall Trigger Level or, in the case of a Basket as Underlying, if the Reference Price of all Basket Components exceed the Autocall Trigger Level.

If an early redemption does not occur, the performance of the Underlying and/or the Basket Components determines the level of the Redemption Amount and/or the type of settlement (cash settlement or physical delivery):

(i) If no Barrier Event has occurred or, if provided for in the Final Terms, a Barrier Event has occurred and the Final Fixing Level is above the Strike Level and/or the Initial Fixing Level or, if provided for in the Final Terms, the Final Fixing Level is above the Strike Level the Redemption Amount is equal to the Issue Price, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate.

(ii) Otherwise, the Holder receives delivery of a certain number of the Underlying or, in the case of a Basket as Underlying, of the Basket Component with the Worst Performance, expressed by the Conversion Ratio. Fractions of the Underlying or the Basket Component are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.

The relevant Barrier Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs, for example, if a Price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier. The Final Fixing Level is the closing price of the Underlying and/or the respective Basket Component at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount (that takes also into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms) on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying and/or Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on the occurrence of a certain event in relation to the Underlying and/or Basket Components (e.g. reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts. If provided for in the applicable Final Terms, the amount of the coupon payment may depend on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

***Product No. 18. Explanation of mechanism of Inverse Discount Certificates with Cash Settlement***

In the case of these Products, on the Redemption Date investors receive a Redemption Amount, the amount of which is inversely dependent on the performance of the Underlying. The following cases may be distinguished:

(i) If the Final Fixing Level is above the Cap Level, the investor receives on the Redemption Date payment of the difference between the Inverse Level and the Final Fixing Level taking into account the Conversion Ratio and, if provided for in the applicable Final Terms, the performance of the relevant exchange rate. However, the Redemption Amount equals in this case at least zero (0). **Investors should note that they bear the risk of an unfavourable performance of the Underlying, i.e. an increase in the Underlying. In this scenario the investor may incur losses. In the worst case, the investor may suffer a total loss of the invested capital including related transaction costs, which arises if the Final Fixing Level is at or above the Inverse Level.**

(ii) If the Final Fixing Level is above the Cap Level, the Redemption Amount equals the Maximum Redemption Amount (which equals the difference between the Inverse Level and the Cap Level taking into account the Conversion Ratio and, if provided for in the applicable Final Terms, the performance of the relevant exchange rate).

The Final Fixing Level is the closing price of the Underlying at the end of the term of the Product or any other value of the Underlying as defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

The investors do not have any claim to or arising out of the Underlying (e.g. voting rights, dividends).

***Product No. 19. Explanation of mechanism of Master Discount Certificates with Cash Settlement***

On the Redemption Date, the investor receives the total of the Proportionate Redemption Amounts calculated on the basis of the individual Basket Components. The Basket Components are considered individually and are included (with the number of Basket Components specified on the Initial Fixing Date) in the calculation of the Proportionate Redemption Amount and the Redemption Amount. The number of the Basket Component is a factor by means of which an equal weighting of the respective Basket Component, based on the value of the Product, is reproduced.

The possibilities for redemption of the Products are as follows (in each case the result of the calculation is multiplied by the performance of the relevant exchange rate, if provided for in the applicable Final Terms):

- (i) if the Final Fixing Level of the respective Basket Component is equal to or falls below the respective Cap Level, the Proportionate Redemption Amount equals the Final Fixing Level multiplied by the number of the Basket Component;
- (ii) if the Final Fixing Level of the respective Basket Component exceeds the respective Cap Level, the Proportionate Redemption Amount equals the respective Cap Level multiplied by the number of Basket Component; and
- (iii) in the case where the Final Fixing Levels of all Basket Components are above their individual Cap Levels, the investor receives the Maximum Redemption Amount.

**If the Final Fixing Level of a Basket Component falls to zero, the investor suffers a loss in the amount of the total value of the Basket Component taking into account the number of the Basket Component. Since the Basket Components and the applicable Cap Levels are considered individually, such a loss may not necessarily be compensated by the performance of the other Basket Components. There is the risk of a total loss, which arises if the Final Fixing Levels of all Basket Components are zero. It should also be noted that at present the Cap Level lies below the Initial Fixing Level, i.e. there is no possibility of the investor participating in an increase in value of the Basket Component, and the Redemption Amount is limited to the Maximum Redemption Amount – in contrast the Proportionate Redemption Amount of the respective Basket Component only lies below the greatest possible Proportionate Redemption Amount if the applicable Final Fixing Level falls below the relevant Cap Level.**

***Product No. 20. Explanation of mechanism of Express Certificates with Cash Settlement and with par value and/or issue price and unconditional minimum redemption***

The Products have the characteristic such that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount equals the Denomination and/or Issue Price, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate. If provided for in the applicable Final Terms, the Redemption Amount may also be equal to the Denomination and/or the Issue Price plus, if provided for in the applicable Final Terms, the Early Redemption Coupon Amount allocated to the Autocall Observation Date on which the Autocall Event has occurred. If provided for in the applicable Final Terms the Early Redemption Coupon Amount is multiplied by the performance of the relevant exchange rate.

An Autocall Event occurs if on an Autocall Observation Date the Reference Price of the Underlying or the Reference Prices of all Basket Components reach or exceed the relevant Autocall Trigger Level.

If an early redemption does not occur, the performance of the Underlying or, in the case of a Basket as Underlying, the Basket Components determines the level of the Redemption Amount, if provided for in the applicable Final Terms.

The investor receives the Denomination and/or the Issue Price, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate, which simultaneously equals the Maximum Redemption, if the Final Fixing Level of the Underlying or the Final Fixing Levels of all Basket Components are at or above the Autocall Trigger Level specified in the Final Terms. If this is not the case, the Products are redeemed for a Minimum Redemption Amount that takes into account the performance of the relevant exchange rate if provided for in the applicable Final Terms, which may, however, also be below the Denomination and/or, if provided for in the applicable Final Terms, the Issue Price.

The applicable Final Terms may stipulate that in the case that an early redemption does not occur, the Redemption Amount equals the Minimum Redemption Amount (which equals the Minimum Redemption Factor multiplied by the Denomination and/or, if provided for in the applicable Final Terms, the Issue Price and that takes into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms) in any case.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount (that takes also into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms) on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying or, in the case of a Basket as Underlying, the Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on the occurrence of a certain event in relation to the Underlying or, in the case of a Basket as Underlying, the Basket Components

(e.g. reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there will be no coupon payment for the applicable Coupon Payment Date. Unless provided otherwise in the Final Terms, each relevant date is considered separately and there are no catch-up payments of the Coupon Amount. If provided for in the applicable Final Terms, the amount of the coupon payment may depend on the development of the Underlying or, in the case of a Basket as Underlying, the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

***Product No. 21. Explanation of mechanism of Express Certificates with Cash Settlement and with par value and with Downside Participation Factor***

The Products have the characteristic such that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount equals the Denomination, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate.

An Autocall Event occurs if on an Autocall Observation Date the Reference Price of all Basket Components exceed the respective Autocall Trigger Level.

If there has been no early redemption of the Products, the level of the Redemption Amount is dependent on the price performance of the Basket Component with the Worst Performance. Furthermore, the Downside Participation Factor determines the ratio in which the Holder participates disproportionately in the loss in value of the Basket Component with the Worst Performance. The Redemption Amount equals the Denomination taking into account the development of the Basket Component with the Worst Performance and taking into account the Downside Participation Factor. If provided for in the applicable Final Terms the performance of the relevant exchange rate is taken into account when determining the respective Redemption Amount. The Redemption Amount may fall below the Denomination.

Furthermore, the Products have the characteristic such that the Holder may receive a Coupon Amount (that takes also into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms) on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on the occurrence of a certain event in relation to the Basket Components (e.g. reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there

would be no coupon payment for the applicable Coupon Payment Date. Unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts. If provided for in the applicable Final Terms, the amount of the coupon payment may depend on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the Early Redemption Date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

***Product No. 22. Explanation of mechanism of Certificates with Cash Settlement and with par value and with unconditional minimum redemption and Partial Redemption Amounts***

The Products have the characteristic such that on various Partial Redemption Dates spread over the term an Partial Redemption is made in the amount of the Denomination, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate and further multiplied by the Partial Redemption Factor, where the payment is independent of the performance of the Basket Components. The total of the Partial Redemption Amounts paid on all Partial Redemption Dates equals at the end of the term the Denomination multiplied by the Minimum Redemption Factor. The total of the Partial Redemption Amounts also equals simultaneously the Maximum Redemption Amount.

This Product offers the investor the further chance to receive a coupon payment, if - as specified in the applicable Final Terms - the Reference Price of all Basket Components on the respective Coupon Observation Date reaches and/or exceeds its respective Coupon Trigger Level (so-called "**Coupon Trigger Event**"). The Coupon Amount (that takes also into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms) is determined by multiplying the Denomination by (i) the applicable Coupon Rate for the respective Coupon Payment Date and by (ii)  $N \cdot N$  equals, where:

- before the respective Coupon Observation Date no Coupon Trigger Event has occurred, the number of Coupon Observation Dates from the first Coupon Observation Date (inclusive) until the relevant Coupon Observation Date (inclusive) and where
- before the respective Coupon Observation Date a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates between the Coupon Observation Date (exclusive) on which the last Coupon Trigger Event has occurred and the respective relevant Coupon Observation Date (inclusive).

**If a Coupon Trigger Event has not occurred on any Coupon Observation Date, the investor does not receive a coupon payment.**

Alternatively, if provided for in the applicable Final Terms, the Holder receives a coupon payment on the respective Coupon Payment Date. The amount of the coupon payment depends on the development of the

Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

***Product No. 23. Explanation of mechanism of Certificates with Cash Settlement and with unconditional minimum redemption***

Principally, the Products have the characteristic such that the level of the Redemption Amount at the end of the term depends on the price performance of the Basket Components. However, the applicable Final Terms may also provide for a Redemption Amount that is in any case equal to the Issue Price multiplied by the Minimum Redemption Factor and, if provided for in the applicable Final Terms, taking into account the performance of the relevant exchange rate.

The Redemption Amount can be determined as follows as provided for in the applicable Final Terms:

- The investor receives on the Redemption Date a cash payment specified at issuance, the level of which depends on the performance of the Underlying and/or the relevant Basket Component and, if provided for in the applicable Final Terms, taking into account the performance of the relevant exchange rate.
- The applicable Final Terms may also provide for a Redemption Amount that equals the Denomination and/or, if provided for in the applicable Final Terms and in the case that the Final Basket Performance is positive, the Issue Price multiplied by the sum of (A) the Minimum Redemption Factor and (B) the Participation Factor multiplied by the Final Basket Performance, whereby, if provided for in the applicable Final Terms, the result is multiplied by the performance of the relevant exchange rate. The Final Basket Performance equals the sum of the performances of all Basket Components.
- The applicable Final Terms may stipulate that the Redemption Amount is equal to the Denomination and/or, if provided for in the applicable Final Terms, the Issue Price multiplied by the sum of (A) the Minimum Redemption Factor and (B) the Participation Factor multiplied by the difference between the Strike Level and the performance of the Underlying or the performance of the worst and/or best performing Basket Component whereby the result, if provided for in the applicable Final Terms, is multiplied by the performance of the relevant exchange rate.
- The applicable Final Terms may also provide for a Redemption Amount that equals the Issue Price multiplied by the sum of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by performance of the Underlying and/or the worst or best performing Basket Component (whereby the result, if provided for in the applicable Final Terms, is multiplied by the performance of the relevant exchange rate) in the case that the Final Fixing Level of the Underlying and/or the Final Fixing Level of the worst or best performing Basket Component is above its Strike Level.

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- If provided for in the applicable Final Terms, the Redemption Amount equals
  - (i) - in the case that the Final Fixing Level of the Underlying, the Final Fixing Level of the worst and/or best performing Basket Component or the Final Basket Value is above its Initial Fixing Level or the Initial Basket Value - the Issue Price, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate; or
  - (ii) - in the case that the Final Fixing Level of the Underlying, the Final Fixing Level of the worst and/or best performing Basket Component or the Final Basket Value is above its Strike Level, but at or below its Initial Fixing Level or the Initial Basket Value – the Issue Price multiplied by the performance of the Underlying, the performance of the worst and/or best performing Basket Component or the performance of the Basket, whereby, if provided for in the applicable Final Terms, the result is multiplied by the performance of the relevant exchange rate.
  
- The applicable Final Terms may also provide for the determination of the Redemption Amount as follows:
  - (i) - in the case that a Barrier Event has not occurred and the Final Fixing Level of the Underlying, the Final Fixing Level of the worst and/or best performing Basket Component or the Final Basket Value is at or above its Initial Fixing Level or the Initial Basket Value - the Denomination or the Issue Price multiplied by the performance of the Underlying and/or the performance of the worst and/or best performing Basket Component and/or the performance of the Basket. If provided for in the applicable Final Terms, the result is multiplied by the performance of the relevant exchange rate; or
  - (ii) - in the case that a Barrier Event has not occurred and the Final Fixing Level of the Underlying, the Final Fixing Level of the worst and/or best performing Basket Component or the Final Basket Value is below its Initial Fixing Level or the Initial Basket Value - the Denomination or the Issue Price multiplied by the difference between (A) 200% and (B) the performance of the Underlying and/or the performance of the worst and/or best performing Basket Component and/or the performance of the Basket. If provided for in the applicable Final Terms, the result is multiplied by the performance of the relevant exchange rate.
  
- The applicable Final Terms may also provide that the Redemption Amount equals
  - (i) - in the case that a Barrier Event has not occurred and the performance of the Underlying, the performance of the Basket Component with the worst and/or best performance or the Final Basket Performance is positive – the Issue Price multiplied by the sum of (A) the Minimum Redemption Factor and (B) the product of the Participation Factor and the performance of the Underlying, the performance of the Basket Component with the worst



and/or best performance or the Final Basket Performance, whereby, if provided for in the applicable Final Terms, the result is multiplied by the performance of the relevant exchange rate.

(ii) - in the case that a Barrier Event has occurred, the Issue Price multiplied by the Minimum Redemption Factor plus the Rebate Coupon Amount, whereby, if provided for in the applicable Final Terms, the result is multiplied by the performance of the relevant exchange rate.

The relevant Barrier Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs, for example, if the Basket Level is at or, as the case may be, above the Barrier Level.

However, in any case the investor receives a minimum of the Denomination and/or, if provided for in the applicable Final Terms, the Issue Price multiplied by the Minimum Redemption Factor and, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate. **Investors should note that the Minimum Redemption Amount may be lower than the capital invested for the purchase of the Product (including related transaction costs).**

**If provided for in the applicable Final Terms, the Certificates have the further characteristic such that the level of the Redemption Amount is limited to the Maximum Redemption Amount, which equals the Denomination and/or, if provided for in the applicable Final Terms, the Issue Price taking into account the Maximum Redemption Factor and, if provided for in the applicable Final Terms, taking into account the performance of the relevant exchange rate.**

If provided for in the applicable Final Terms, the Holder receives a coupon payment on the respective Coupon Payment Date. The amount of the coupon payment depends on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

***Product No. 24. Explanation of mechanism of Capped Certificates with Cash Settlement and with unconditional minimum redemption***

The Product entitles the investor to receive a cash payment on the Redemption Date, which equals the Minimum Redemption Factor multiplied by the Denomination and/or Issue Price, whereby the result is multiplied by the performance of the relevant exchange rate, if provided for in the applicable Final Terms. **Investors should note that the Minimum Redemption Amount may be lower than the capital invested for the purchase of the Product (including, as the case may be, the Issue Surcharge and related transaction costs).** If the Final Fixing Level exceeds the Initial Fixing Level or, in the case of a basket as Underlying, the Final Fixing Level of the Basket Component with the Worst Performance exceeds its Initial Fixing Level, the investor participates up to the Cap Level in the increase in value of the Underly-

ing or the Basket Component with the Worst Performance taking into account the Participation Factor and, if provided for in the applicable Final Terms, the performance of the relevant exchange rate. If the Final Fixing Level exceeds the Initial Fixing Level multiplied by the Cap Level or, in the case of a basket as Underlying, if the Final Fixing Level of the Basket Component with the Worst Performance exceeds its Initial Fixing Level multiplied by the Cap Level, the investor receives the Maximum Redemption Amount that, if provided for in the applicable Final Terms, takes also into account the performance of the relevant exchange rate. **Investors therefore do not participate beyond the Cap Level in an increase in value of the Underlying or the Basket Component with the Worst Performance.**

If provided for in the applicable Final Terms, the Holder receives a coupon payment on the respective Coupon Payment Date. The amount of the coupon payment depends on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms). If provided for in the applicable Final Terms, the payment of the relevant Coupon Amount (that takes also into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms) may also be dependent on whether a Coupon Trigger Event has occurred on a Coupon Observation Date. **If a Coupon Trigger Event has not occurred on any Coupon Observation Date, the investor does not receive a coupon payment.**

***Product No. 25. Explanation of mechanism of Inverse Bonus Certificates with Cash Settlement***

In the case of these Products, investors receive a cash payment on the Redemption Date the amount of which depends on the performance of the Underlying and/or Basket Components. A particular feature is that the participation of the Holders is **inverse** to the performance of the Underlying and/or Basket Component with the worst and/or best performance. The Redemption Amount is calculated as follows:

*In the case that the redemption is dependent on the development of one Underlying:*

(i) If no Barrier Event has occurred

- and the Final Fixing Level is below the Strike Level, the Redemption Amount equals the product of the Issue Price and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate; or
- and the Final Fixing Level is equal to or above the Strike Level, the Redemption Amount equals the Issue Price multiplied by the Bonus Level, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate.

(ii) If a Barrier Event has occurred, the Redemption Amount equals the product of the Issue Price and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate.

*In the case that the redemption is dependent on the development of individual Basket Components:*

(i) If no Barrier Event has occurred

- and the Final Fixing Level of the Basket Component with the worst and/or best performance is below the Strike Level of the Basket Component with the worst and/or best performance, the Redemption Amount equals the product of the Issue Price and the quotient of (i) the difference between the Cap Level and the Final Fixing Level of the Basket Component with the worst and/or best performance and (ii) the Initial Fixing Level of the Basket Component with the worst and/or best performance, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate; and/or
- and the Final Fixing Level of the Basket Component with the worst and/or best performance is equal to or above the Strike Level of the Basket Component with the worst and/or best performance, the Redemption Amount equals the Issue Price multiplied by the Bonus Level, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate.

(ii) If a Barrier Event has occurred, the Redemption Amount equals the product of the Issue Price and the quotient of (i) the difference between the Cap Level and the Final Fixing Level of the Basket Component with the worst and/or best performance and (ii) the Initial Fixing Level of the Basket Component with the worst and/or best performance, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate.

If provided for in the applicable Final Terms, the Holder receives a coupon payment on the respective Coupon Payment Date. The amount of the coupon payment depends on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

The relevant Barrier Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs, for example, if a Price of the Underlying specified in the applicable Final Terms exceeds or, as the case may be, reaches the Barrier.

The investors do not have any claim to or arising out of the Underlying (e.g. voting rights, dividends).

***Product No. 26. Explanation of mechanism of Capped Inverse Bonus Certificates with Cash Settlement***

In the case of these Products, investors receive a cash payment on the Redemption Date the amount of which depends on the performance of the Underlying. A particular feature is that the participation of the Holders is **inverse** to the performance of the Underlying. The Redemption Amount is calculated as follows:

*In the case that the redemption is dependent on the development of one Underlying:*

(i) If no Barrier Event has occurred the Redemption Amount equals the Initial Fixing Level multiplied by the Bonus Level or, if provided for in the applicable Final Terms, the Issue Price multiplied by the Bonus Level, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate.

(ii) If a Barrier Event has occurred

- and the Final Fixing Level is equal to or above the Strike Level, the Redemption Amount equals the product of the Initial Fixing Level and/or the Issue Price (as provided for in the applicable Final Terms) and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate;
- and the Final Fixing Level is equal to or above the Strike Level, the Redemption Amount equals the Initial Fixing Level and/or the Issue Price (as provided for in the applicable Final Terms) multiplied by the Bonus Level, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate.

The respective Final Terms may also provide that the Redemption Amount is equal to the product of the Initial Fixing Level and/or the Issue Price (as provided for in the applicable Final Terms) and the quotient of (i) the difference between the Cap Level and the Final Fixing Level and (ii) the Initial Fixing Level in any case that a Barrier Event has occurred, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate.

*In the case that the redemption is dependent on the development of individual Basket Components:*

(i) If no Barrier Event has occurred the Redemption Amount equals the Initial Fixing Level of the Basket Component with the worst and/or best performance multiplied by the Bonus Level or, if provided for in the applicable Final Terms, the Issue Price multiplied by the Bonus Level, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate.

(ii) If a Barrier Event has occurred

- and the Final Fixing Level of the Basket Component with the worst and/or best performance is equal to or above the Strike Level of the Basket Component with the worst and/or best performance, the Redemption Amount equals the product of the Initial Fixing Level of the Basket Component with the worst and/or best performance and/or the Issue Price (as provided for in the applicable Final Terms) and the quotient of (i) the difference between the Cap Level and the Final Fixing Level of the Basket Component with the worst and/or best performance and (ii) the Initial Fixing Level of the Basket Component with the worst and/or best performance, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate;
- and the Final Fixing Level of the Basket Component with the worst and/or best performance is equal to or above the Strike Level of the Basket Component with the worst and/or best perfor-

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mance, the Redemption Amount equals the Initial Fixing Level of the Basket Component with the worst and/or best performance and/or the Issue Price (as provided for in the applicable Final Terms) multiplied by the Bonus Level, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate.

The respective Final Terms may also provide that the Redemption Amount is equal to the product of the Initial Fixing Level of the Basket Component with the worst and/or best performance and/or the Issue Price (as provided for in the applicable Final Terms) and the quotient of (i) the difference between the Cap Level and the Final Fixing Level of the Basket Component with the worst and/or best performance and (ii) the Initial Fixing Level of the Basket Component with the worst and/or best performance, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate, in any case that a Barrier Event has occurred.

If provided for in the applicable Final Terms, the Holder receives a coupon payment on the respective Coupon Payment Date. The amount of the coupon payment depends on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

The relevant Barrier Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs, for example, if a Price of the Underlying specified in the applicable Final Terms exceeds or, as the case may be, reaches the Barrier.

The investors do not have any claim to or arising out of the Underlying (e.g. voting rights, dividends).

##### ***Product No. 27. Explanation of mechanism of Mini Future Certificates with Cash Settlement***

Holders of Mini Future Certificates with Cash Settlement expect the market price of the Underlying to rise.

The Products have a fixed term. Subject to the occurrence of a Stop-Loss Event, investors receive a cash payment on the Redemption Date the amount of which depends on the performance of the Underlying. The Redemption Amount equals (in the case of Mini Future Long Certificates) the product of (i) the Conversion Ratio and (ii) the difference between the Final Fixing Level and the (Current) Strike Level or (in the case of Mini Future Short Certificates) the product of (i) the Conversion Ratio and (ii) the difference between the (Current) Strike Level and the Final Fixing Level, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate.

A Stop-Loss Event occurs if the Underlying is (in the case of Mini Future Long Certificates) equal to or below the (Current) Stop-Loss Level or (in the case of Mini Future Short Certificates) equal to or above the (Current) Stop-Loss Level. In the event that a Stop-Loss Event has occurred, the term of the Products shall end automatically on the day of the occurrence of the Stop-Loss Event without the need for a separate termination of the Products by the Issuer. In this case the Redemption Amount to be paid by the Issu-

er equals (in the case of Mini Future Long Certificates) the product of (i) the Conversion Ratio and (ii) the difference between the Stop-Loss Price and the (Current) Strike Level or (in the case of Mini Future Short Certificates) the product of (i) the Conversion Ratio and (ii) the difference between the (Current) Strike Level and the Stop-Loss Price, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate. The Redemption Amount is at least zero. The investor can suffer a total loss of the invested capital if (in the case of Mini Future Long Certificates) the Stop-Loss Price is equal to or below the (Current) Strike Level or (in the case of Mini Future Short Certificates) the Stop-Loss Price is equal to or above the (Current) Strike Level.

The leverage effect is one of the main characteristics of Mini Future Certificates. Holders will participate disproportionately (with leverage) in the performance of the Underlying. Accordingly, a Holder may earn significant profits or incur significant losses.

***Product No. 28. Explanation of mechanism of Inverse Express Certificates with Cash Settlement***

The Products have the characteristic such that the level of the Redemption Amount and the time for redemption of the Products depend on whether an Autocall Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the Autocall Observation Date on which the Autocall Event occurred. In this case, the Redemption Amount in the Settlement Currency equals the Issue Price and/or the Redemption Amount, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate.

An Autocall Event occurs if on an Autocall Observation Date the Reference Price falls below the Autocall Trigger Level or, in the case of a Basket as Underlying and if provided for in the applicable Final Terms, if the Reference Price of all Basket Components fall below the Autocall Trigger Level.

If an early redemption does not occur, the performance of the Underlying and/or the Basket Components determines the level of the Redemption Amount.

(i) If no Barrier Event occurred the Redemption Amount is equal to the Issue Price and/or the Redemption Amount, if provided for in the applicable Final Terms, multiplied by the performance of the relevant exchange rate.

(ii) If the preconditions set out under (i) above are not satisfied the Redemption Amount equals the Issue Price and/or the Redemption Amount multiplied by the difference between 200% and, as specified in the applicable Final Terms, the Performance of the Underlying and/or the Performance of the Basket Component with the worst and/or best performance, if provided for in the applicable Final Terms, further multiplied by the performance of the relevant exchange rate. The Redemption Amount is at least zero.

The relevant Barrier Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs, for example, if a Price of the Underlying specified in the applicable Final Terms exceeds or, as the case may be, reaches the Barrier.

Furthermore, Inverse Express Certificates with Cash Settlement have the characteristic such that the Holder may receive a Coupon Amount (that takes also into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms) on certain dates specified in the applicable Final Terms. The payment of the applicable Coupon Amount may be independent of the price performance of the Underlying and/or Basket Components. Where provided in the applicable Final Terms, the coupon payment may also be structured in such a way that the payment is conditional on the occurrence of a certain event in relation to the Underlying and/or Basket Components (e.g. the Underlying reaching or exceeding a certain threshold (e.g. Coupon Trigger Level)). Should such event not occur, there would be no coupon payment for the applicable Coupon Payment Date. Unless provided otherwise in the Final Terms, each relevant date is considered separately and there can be no catch-up payments of Coupon Amounts. If provided for in the applicable Final Terms, the amount of the coupon payment may depend on the development of the Basket Components (taking into account the performance of the relevant exchange rate, if provided for in the applicable Final Terms).

With regard to coupon payments, it should also be noted that, in the case of an early redemption of the Products, the Holder will still receive the Coupon Amount for the Coupon Payment Date in respect of the early redemption date. However, he has no right to demand coupon payments for future Coupon Payment Dates.

***Product No. 29. Explanation of mechanism of Warrants with Cash Settlement***

***(i) Description of Call Warrants***

- *Call Warrants where the performance of the Underlying is relevant for the determination of the Redemption Amount pursuant to the applicable Final Terms*

Holders of Call Warrants expect the price of the Underlying to rise.

Warrants have a fixed term and will automatically be exercised on the Final Fixing Date (European exercise style). The Holders do not have the right to exercise the Warrants during the term.

The Holders will receive a Redemption Amount on the Redemption Date if the Final Fixing Level and/or the Performance of the Underlying exceeds the Strike Level and/or the Initial Fixing Level if provided for in the applicable Final Terms.

The Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the quotient of (A) the difference between the Final Fixing Level and the Strike Level and (B) the Initial Fixing Level. Alternatively, the respective Final Terms may stipulate that the Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the difference between (A) the Performance of the Underlying (quotient of the Final Fixing Level and the Initial Fixing Level and/or the Strike Level) and (B) the Initial Fixing Level and/or the Strike Level.

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The respective result is multiplied by the performance of the relevant exchange rate if provided for in the applicable Final Terms. The Redemption Amount is at least zero.

If the respective Final Terms provide for a Maximum Redemption Amount the Redemption Amount will not exceed the Maximum Redemption Amount, with the result that the possible yield on the Warrants has an upper limit. The Maximum Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the quotient of (A) the difference between the Cap Level and the Initial Fixing Level and/or the Strike Level and (B) the Initial Fixing Level and/or the Strike Level. Alternatively, the respective Final Terms may stipulate that the Maximum Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the difference between (A) the Cap Level and (B) the Initial Fixing Level and/or the Strike Level. The respective result is multiplied by the performance of the relevant exchange rate if provided for in the applicable Final Terms.

The leverage effect is one of the main characteristics of the Warrants. Holders will participate disproportionately (with leverage) in the performance of the Underlying. Accordingly, a Holder may earn significant profits or incur significant losses.

- *Call Warrants where the performance of the worst performing Basket Component is relevant for the determination of the Redemption Amount pursuant to the applicable Final Terms*

Holders of Call Warrants expect the price of the Basket Components to rise.

Warrants have a fixed term and will automatically be exercised on the Final Fixing Date (European exercise style). The Holders do not have the right to exercise the Warrants during the term.

The Holders will receive a Redemption Amount on the Redemption Date if the Final Fixing Level of the worst performing Basket Component and/or the performance of the worst performing Basket Component exceeds the Strike Level and/or the Initial Fixing Level if provided for in the applicable Final Terms.

The Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the quotient of (A) the difference between the Final Fixing Level of the worst performing Basket Component and the Strike Level and (B) the Initial Fixing Level of the worst performing Basket Component. Alternatively, the respective Final Terms may stipulate that the Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the difference between (A) the performance of the worst performing Basket Component (quotient of the Final Fixing Level and the Initial Fixing Level and/or the Strike Level of the worst performing Basket Component) and (B) the Initial Fixing Level and/or the Strike Level. The respective result is multiplied by the performance of the relevant exchange rate if provided for in the applicable Final Terms. The Redemption Amount is at least zero.



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If the respective Final Terms provide for a Maximum Redemption Amount the Redemption Amount will not exceed the Maximum Redemption Amount, with the result that the possible yield on the Warrants has an upper limit. The Maximum Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the quotient of (A) the difference between the Cap Level and the Initial Fixing Level and/or the Strike Level and (B) the Initial Fixing Level and/or the Strike Level of the worst performing Basket Component. Alternatively, the respective Final Terms may stipulate that the Maximum Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the difference between (A) the Cap Level and (B) the Initial Fixing Level and/or the Strike Level. The respective result is multiplied by the performance of the relevant exchange rate if provided for in the applicable Final Terms.

The leverage effect is one of the main characteristics of the Warrants. Holders will participate disproportionately (with leverage) in the performance of the Underlying. Accordingly, a Holder may earn significant profits or incur significant losses.

- *Call Warrants where the performance of the Basket is relevant for the determination of the Redemption Amount pursuant to the applicable Final Terms*

Holders of Call Warrants expect the price of the Basket to rise.

Warrants have a fixed term and will automatically be exercised on the Final Fixing Date (European exercise style). The Holders do not have the right to exercise the Warrants during the term.

The Holders will receive a Redemption Amount on the Redemption Date if the Final Basket Value and/or the performance of the Basket exceeds the Strike Level and/or the Initial Fixing Level if provided for in the applicable Final Terms.

The Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the quotient of (A) the difference between the Final Basket Value and the Strike Level and (B) the Initial Basket Value. Alternatively, the respective Final Terms may stipulate that the Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the difference between (A) the performance of the Basket (quotient of the Final Basket Value and the Initial Fixing Level and/or the Strike Level) and (B) the Initial Fixing Level and/or the Strike Level. The respective result is multiplied by the performance of the relevant exchange rate if provided for in the applicable Final Terms. The Redemption Amount is at least zero.

If the respective Final Terms provide for a Maximum Redemption Amount the Redemption Amount will not exceed the Maximum Redemption Amount, with the result that the possible yield on the Warrants has an upper limit. The Maximum Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the quotient of

(A) the difference between the Cap Level and the Initial Fixing Level and/or the Strike Level and (B) the Initial Basket Value. Alternatively, the respective Final Terms may stipulate that the Maximum Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the difference between (A) the Cap Level and (B) the Initial Fixing Level and/or the Strike Level. The respective result is multiplied by the performance of the relevant exchange rate if provided for in the applicable Final Terms.

The leverage effect is one of the main characteristics of the Warrants. Holders will participate disproportionately (with leverage) in the performance of the Underlying. Accordingly, a Holder may earn significant profits or incur significant losses.

(ii) Description of Put Warrants

- *Put Warrants where the performance of the Underlying is relevant for the determination of the Redemption Amount pursuant to the applicable Final Terms*

Holders of Put Warrants expect the price of the Underlying to fall.

Warrants have a fixed term and will automatically be exercised on the Final Fixing Date (European exercise style). The Holders do not have the right to exercise the Warrants during the term.

The Holders will receive a Redemption Amount on the Redemption Date if the Final Fixing Level and/or the Performance of the Underlying falls below the Strike Level and/or the Initial Fixing Level if provided for in the applicable Final Terms.

The Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the quotient of (A) the difference between the Initial Fixing Level and/or the Strike Level and the Final Fixing Level and (B) the Initial Fixing Level and/or the Strike Level. Alternatively, the respective Final Terms may stipulate that the Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the difference between (A) the Initial Fixing Level and/or the Strike Level and (B) the Performance of the Underlying (quotient of the Final Fixing Level and the Initial Fixing Level and/or the Strike Level). The respective result is multiplied by the performance of the relevant exchange rate if provided for in the applicable Final Terms. The Redemption Amount is at least zero.

If the respective Final Terms provide for a Maximum Redemption Amount the Redemption Amount will not exceed the Maximum Redemption Amount, with the result that the possible yield on the Warrants has an upper limit. The Maximum Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the quotient of (A) the difference between the Strike Level and/or the Initial Fixing Level and the Cap Level and (B) the Initial Fixing Level. Alternatively, the respective Final Terms may stipulate that the Max-

imum Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the difference between (A) the Strike Level and/or the Initial Fixing Level and (B) the Cap Level. The respective result is multiplied by the performance of the relevant exchange rate if provided for in the applicable Final Terms.

The leverage effect is one of the main characteristics of the Warrants. Holders will participate disproportionately (with leverage) in the performance of the Underlying. Accordingly, a Holder may earn significant profits or incur significant losses.

- *Put Warrants where the performance of the worst performing Basket Component is relevant for the determination of the Redemption Amount pursuant to the applicable Final Terms*

Holders of Put Warrants expect the price of the Basket Components to fall.

Warrants have a fixed term and will automatically be exercised on the Final Fixing Date (European exercise style). The Holders do not have the right to exercise the Warrants during the term.

The Holders will receive a Redemption Amount on the Redemption Date if the Final Fixing Level of the worst performing Basket Component and/or the performance of the worst performing Basket Component falls below the Strike Level and/or the Initial Fixing Level if provided for in the applicable Final Terms.

The Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the quotient of (A) the difference between the Initial Fixing Level and/or the Strike Level and the Final Fixing Level of the worst performing Basket Component and (B) the Initial Fixing Level and/or the Strike Level of the worst performing Basket Component. Alternatively, the respective Final Terms may stipulate that the Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the difference between (A) the Initial Fixing Level and/or the Strike Level and (B) the performance of the worst performing Basket Component (quotient of the Final Fixing Level and the Initial Fixing Level and/or the Strike Level of the worst performing Basket Component). The respective result is multiplied by the performance of the relevant exchange rate if provided for in the applicable Final Terms. The Redemption Amount is at least zero.

If the respective Final Terms provide for a Maximum Redemption Amount the Redemption Amount will not exceed the Maximum Redemption Amount, with the result that the possible yield on the Warrants has an upper limit. The Maximum Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the quotient of (A) the difference between the Strike Level and/or the Initial Fixing Level and the Cap Level and (B) the Initial Fixing Level of the worst performing Basket Component. Alternatively, the respective Final Terms may stipulate that the Maximum Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the difference be-

tween (A) the Strike Level and/or the Initial Fixing Level and (B) the Cap Level. The respective result is multiplied by the performance of the relevant exchange rate if provided for in the applicable Final Terms.

The leverage effect is one of the main characteristics of the Warrants. Holders will participate disproportionately (with leverage) in the performance of the Underlying. Accordingly, a Holder may earn significant profits or incur significant losses.

- *Put Warrants where the performance of the Basket is relevant for the determination of the Redemption Amount pursuant to the applicable Final Terms*

Holders of Put Warrants expect the price of the Basket to fall.

Warrants have a fixed term and will automatically be exercised on the Final Fixing Date (European exercise style). The Holders do not have the right to exercise the Warrants during the term.

The Holders will receive a Redemption Amount on the Redemption Date if the Final Basket Value and/or the performance of the Basket falls below the Strike Level and/or the Initial Fixing Level if provided for in the applicable Final Terms.

The Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the quotient of (A) the difference between the Initial Fixing Level and/or the Strike Level and the Final Basket Value and (B) the Initial Basket Value. Alternatively, the respective Final Terms may stipulate that the Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the difference between (A) the Initial Fixing Level and/or the Strike Level and (B) the performance of the Basket (quotient of the Final Basket Value and the Initial Basket Value). The respective result is multiplied by the performance of the relevant exchange rate if provided for in the applicable Final Terms. The Redemption Amount is at least zero.

If the respective Final Terms provide for a Maximum Redemption Amount the Redemption Amount will not exceed the Maximum Redemption Amount, with the result that the possible yield on the Warrants has an upper limit. The Maximum Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the quotient of (A) the difference between the Strike Level and/or the Initial Fixing Level and the Cap Level and (B) the Initial Basket Value. Alternatively, the respective Final Terms may stipulate that the Maximum Redemption Amount equals the product of (i) the Conversion Ratio and/or the Denomination and/or the Issue Price and (ii) the difference between (A) the Strike Level and/or the Initial Fixing Level and (B) the Cap Level. The respective result is multiplied by the performance of the relevant exchange rate if provided for in the applicable Final Terms.

The leverage effect is one of the main characteristics of the Warrants. Holders will participate disproportionately (with leverage) in the performance of the Underlying. Accordingly, a Holder may earn significant profits or incur significant losses.

***Product No. 30. Explanation of mechanism of Participation Certificates***

*(i) Participation Certificates that provide for cash settlement in any case*

In the case of Participation Certificates the level of the Redemption Amount is linked to the performance of the Underlying and/or the performance of the Basket Components and/or the Basket if provided for in the applicable Final Terms. The following cases are to be distinguished:

*Participation Certificates with Barrier:*

Provided that no Barrier Event has occurred the Redemption Amount will be determined as follows (whereby the respective result is multiplied by the performance of the relevant exchange rate if provided for in the applicable Final Terms):

- if the Final Fixing Level of the Underlying and/or the Final Fixing Level of the worst or best performing Basket Component and/or the Final Basket Value is at or below the Initial Fixing Level of the Underlying and/or the Initial Fixing Level of the worst or best performing Basket Component and/or Initial Basket Value the Redemption Amount equals the Issue Price and/or the Denomination multiplied by the difference between 200 % and the performance of the Underlying and/or the worst or best performing Basket Component and/or the performance of the Basket. The applicable Final Terms may also provide that the Redemption Amount equals the Denomination and/or the Issue Price multiplied by the sum of (A) 100 % and (B) the difference between 100 % and the performance of the Underlying and/or the worst or best performing Basket Component and/or the performance of the Basket whereby such difference is multiplied by the Participation Factor.
- if the Final Fixing Level of the Underlying and/or the Final Fixing Level of the worst or best performing Basket Component and/or the Final Basket Value is above the Initial Fixing Level of the Underlying and/or the Initial Fixing Level of the worst or best performing Basket Component and/or the Initial Basket Value the Redemption Amount is equal to the Issue Price and/or Denomination multiplied by the performance of the Underlying and/or worst or best performing Basket Component and/or the performance of the Basket. The applicable Final Terms may also provide that the Redemption Amount equals the Denomination and/or the Issue Price multiplied by the sum of (A) 100 % and (B) the difference between 100 % and the performance of the Underlying and/or the worst or best performing Basket Component and/or the performance of the Basket whereby such difference is multiplied by the Participation Factor. If provided for in the applicable Final Terms the Redemption Amount is limited to a Maximum Redemption Amount.

Provided that a Barrier Event has occurred, the Redemption Amount equals the Issue Price and/or the Denomination multiplied by the performance of the Underlying and/or the worst or best performing Basket Component. If provided for in the applicable Final Terms the Redemption Amount is limited to a Maximum Redemption Amount.

The relevant Barrier Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs, for example, if a Price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier.

Participation Certificates without Barrier:

The Redemption Amount will be determined as follows (whereby the respective result is multiplied by the performance of the relevant exchange rate if provided for in the applicable Final Terms):

- If the Final Fixing Level of the Underlying and/or the Final Fixing Level of the worst or best performing Basket Component and/or the Final Basket Value is at or below the Initial Fixing Level of the Underlying and/or the Initial Fixing Level of the worst or best performing Basket Component and/or Initial Basket Value the Redemption Amount equals the Denomination and/or the Issue Price multiplied by the sum of (A) 100 % and (B) the Downside Participation Factor that is multiplied by the performance of the Underlying, the performance of the worst or best performing Basket Component and/or the performance of the Basket.
- If the Final Fixing Level of the Underlying and/or the Final Fixing Level of the worst or best performing Basket Component and/or the Final Basket Value is above the Initial Fixing Level of the Underlying and/or the Initial Fixing Level of the worst or best performing Basket Component and/or Initial Basket Value the Redemption Amount equals the Denomination and/or the Issue Price multiplied by the sum of (A) 100 % and (B) the Participation Factor that is multiplied by the performance of the Underlying, the performance of the worst or best performing Basket Component and/or the performance of the Basket.

(ii) Participation Certificates that provide for a potential physical delivery

In the case of Participation Certificates the level of the Redemption Amount and/or the type of settlement (cash settlement or physical delivery) are linked to the performance of the Underlying and/or the performance of the Basket Components and/or the Basket if provided for in the applicable Final Terms. The following cases are to be distinguished:

Provided that no Barrier Event has occurred the Redemption Amount will be determined as follows (whereby the respective result is multiplied by the performance of the relevant exchange rate if provided for in the applicable Final Terms):

- if the Final Fixing Level of the Underlying and/or the Final Fixing Level of the worst or best per-

forming Basket Component and/or the Final Basket Value is at or below the Initial Fixing Level of the Underlying and/or the Initial Fixing Level of the worst or best performing Basket Component and/or Initial Basket Value the Redemption Amount equals the Issue Price and/or the Denomination and/or the Issue Price multiplied by the difference between 200 % and the performance of the Underlying and/or the worst or best performing Basket Component and/or the performance of the Basket. The applicable Final Terms may also provide that the Redemption Amount equals the Denomination and/or the Issue Price multiplied by the sum of (A) 100 % and (B) the difference between 100 % and the performance of the Underlying and/or the worst or best performing Basket Component and/or the performance of the Basket whereby such difference is multiplied by the Participation Factor.

- if the Final Fixing Level of the Underlying and/or the Final Fixing Level of the worst or best performing Basket Component and/or the Final Basket Value is above the Initial Fixing Level of the Underlying and/or the Initial Fixing Level of the worst or best performing Basket Component and/or the Initial Basket Value the Redemption Amount is equal to the Issue Price and/or Denomination multiplied by the performance of the Underlying and/or worst or best performing Basket Component and/or the performance of the Basket. The applicable Final Terms may also provide that the Redemption Amount equals the Denomination and/or the Issue Price multiplied by the sum of (A) 100 % and (B) the difference between 100 % and the performance of the Underlying and/or the worst or best performing Basket Component and/or the performance of the Basket whereby such difference is multiplied by the Participation Factor. If provided for in the applicable Final Terms the Redemption Amount is limited to a Maximum Redemption Amount.

Provided that a Barrier Event has occurred, the Holder receives delivery of a certain number of the Underlying or, in the case of a Basket as Underlying, of the worst or best performing Basket Component, expressed by the Conversion Ratio. Fractions of the Underlying or the Basket Component are not delivered, but are compensated by a cash payment, the so-called Cash Payment Amount for Fractions.

A Barrier Event occurs if a price of the Underlying and/or the respective Basket Component and/or the Basket specified in the applicable Final Terms falls below or, as the case may be, reaches the (relevant) Barrier.

*Participation Certificate with rainbow structure*

In the case of Participation Certificates with a rainbow structure the level of the Redemption Amount is linked to the performance of the Basket Components.

The Redemption Amount equals the Issue Price multiplied by the the sum of (A) 100 %, (B) the Participation Factor 1 multiplied by the Performance of the Basket Component with the Best Performance minus 100 %, (C) the Participation Factor 2 multiplied by the Performance of the Basket Component with the Middle Performance minus 100 % and (D) the Participation Factor 3 multiplied by the Performance of the Basket Component with the Worst Performance minus 100 %. If provided for in the applicable Final Terms, the result is multiplied by the performance of the relevant exchange rate. The Participation Factor

1 is the highest participation factor, the Participation Factor 2 is the second highest participation factor and the Participation Factor 3 is the lowest participation factor.

***Product No. 31. Explanation of mechanism of Spread Certificates with Cash Settlement***

Holders of Spread Certificates with Cash Settlement expect that the performance of Basket Component 1 will outperform the performance of Basket Component 2.

The Products have a fixed term. Subject to the occurrence of a Stop-Loss Event, investors receive a cash payment on the Redemption Date the amount of which depends on the performance of the Basket Components. The Redemption Amount equals the product of (i) the Denomination and/or the Issue Price and (ii) the sum of the Adjustment Factor and the Outperformance minus the Management Factor. If provided for in the applicable Final Terms, the result is further multiplied by the performance of the relevant exchange rate.

A Stop-Loss Event occurs, for example, if a price of the Product is equal to or below the Stop-Loss Level. In the event that a Stop-Loss Event has occurred, the term of the Products shall end automatically on the day of the occurrence of the Stop-Loss Event without the need for a separate termination of the Products by the Issuer. In this case the Redemption Amount to be paid by the Issuer equals the Stop-Loss Redemption Amount that is specified in the applicable Final Terms and that is determined by the Calculation Agent in its reasonable discretion on the basis of the price of the Product. The Stop-Loss Redemption Amount is at least zero.

***Product No. 32. Explanation of mechanism of Short Participation Certificates with Cash Settlement and with unconditional minimum redemption***

The Product entitles the investor to receive a cash payment on the Redemption Date. Investors in Short Participation Certificates expect price decreases of the Underlying or, in the case of a basket as Underlying, of the Basket Components. The Redemption Amount is determined as follows:

(a) If a Barrier Event has not occurred and the Final Fixing Level, or in the case of a basket as Underlying (depending on what is provided for in the applicable Final Terms), the Final Fixing Level of the worst or best performing Basket Component or the Final Basket Value is at or below the Initial Fixing Level and/or the Strike Level of the worst or best performing Basket Component and/or the Initial Basket Value, the Redemption Amount equals the Issue Price or the Denomination multiplied by the sum of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the difference between 100 % or the Strike Level (in%) and (depending on what is provided for in the applicable Final Terms) the Performance of the Underlying, the Performance of the worst or best performing Basket Component or the Performance of the Basket. The result is multiplied by the performance of the relevant exchange rate, if provided for in the applicable Final Terms.



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(b) If a Barrier Event has not occurred and the Final Fixing Level, or in the case of a basket as Underlying (depending on what is provided for in the applicable Final Terms), the Final Fixing Level of the worst or best performing Basket Component or the Final Basket Value is above the Initial Fixing Level and/or the Strike Level of the worst or best performing Basket Component and/or the Initial Basket Value, the Redemption Amount equals the Issue Price or the Denomination multiplied by the Minimum Redemption Factor (the "**Minimum Redemption Amount**"). The result is multiplied by the performance of the relevant exchange rate, if provided for in the applicable Final Terms. **Investors should note that the Minimum Redemption Amount may be lower than the capital invested for the purchase of the Product (including, as the case may be, the Issue Surcharge and related transaction costs).**

(c) If a Barrier Event has occurred, the Redemption Amount equals the Issue Price or the Denomination multiplied by the sum of the Minimum Redemption Factor and the Rebate Coupon Rate. The result is multiplied by the performance of the relevant exchange rate, if provided for in the applicable Final Terms.

The relevant Barrier Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs, for example, if a Price of the Underlying specified in the applicable Final Terms falls below or, as the case may be, reaches the Barrier.

If provided for in the applicable Final Terms, the Redemption Amount may also be determined as follows:

(a) In the case that the Final Fixing Level, or in the case of a basket as Underlying (depending on what is provided for in the applicable Final Terms), the Final Fixing Level of the worst or best performing Basket Component or the Final Basket Value is (at or) below the Initial Fixing Level and/or the Strike Level of the worst or best performing Basket Component and/or the Initial Basket Value (if provided for in the applicable Final Terms, multiplied by the Strike Level) and, in the case that the applicable Final Terms provide for a Maximum Redemption Amount, the preconditions for a redemption at the Maximum Redemption Amount are not fulfilled, the Redemption Amount equals the Denomination or the Issue Price multiplied by the sum of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by (if provided for in the applicable Final Terms) the difference between 100 % and (depending on what is provided for in the applicable Final Terms) the Performance of the Underlying, the Performance of the worst or best performing Basket Component or the Performance of the Basket or (if provided for in the applicable Final Terms), the difference between the Strike Level (in%) of the Underlying, the worst or best performing Basket Component and/or the Basket and its Final Fixing Level and/or Final Basket Value whereby this difference is divided by the Initial Fixing Level of the Underlying and/or worst or best performing Basket Component and/or the Initial Basket Value. The result is multiplied by the performance of the relevant exchange rate, if provided for in the applicable Final Terms. If provided for in the applicable Final Terms, the Redemption Amount will not exceed the Maximum Redemption Amount that, if provided for in the applicable Final Terms, takes also into account the performance of the relevant exchange rate. The Maximum Redemption Amount is paid in the case that the Final Fixing Level, or in the case of a basket as Underlying (depending on what is provided for in the applicable Final Terms), the

Final Fixing Level of the worst or best performing Basket Component or the Final Basket Value is below the Initial Fixing Level and/or the Initial Fixing Level of the worst or best performing Basket Component and/or the Initial Basket Value multiplied by the Cap Level (if provided for in the applicable Final Terms (in%)).

(b) In the case that the Final Fixing Level, or in the case of a basket as Underlying (depending on what is provided for in the applicable Final Terms), the Final Fixing Level of the worst or best performing Basket Component or the Final Basket Value is (at or) above the Initial Fixing Level of the worst or best performing Basket Component and/or the Initial Basket Value (if provided for in the applicable Final Terms, multiplied by the Strike Level), the Redemption Amount equals the Denomination or the Issue Price multiplied by the Minimum Redemption Factor (the "**Minimum Redemption Amount**"). The result is multiplied by the performance of the relevant exchange rate, if provided for in the applicable Final Terms. **Investors should note that the Minimum Redemption Amount may be lower than the capital invested for the purchase of the Product (including, as the case may be, the Issue Surcharge and related transaction costs).**

***Product No. 33. Explanation of mechanism of Knock-Out Warrants with Cash Settlement***

***(i) Description of Knock-Out Call Warrants***

Holders of Knock-Out Call Warrants expect the price of the Underlying and/or Basket Components and/or the value of the Basket to rise. Knock-Out Warrants have a fixed term and will automatically be exercised on the Final Fixing Date (European exercise style). The Holders do not have the right to exercise the Knock-Out Warrants during the term.

In the case of Knock-Out Call Warrants the level of the Redemption Amount is linked to the performance of the Underlying and/or the performance of the best or worst performing Basket Components and/or the performance of the Basket as provided for in the applicable Final Terms.

The leverage effect is one of the main characteristics of the Knock-Out Warrants. Holders will participate disproportionately (with leverage) in the performance of the Underlying and/or the relevant Basket Components and/or the Basket. Accordingly, a Holder may earn significant profits or incur significant losses.

The Redemption Amount is determined as follows:

(a) in the case that a Knock-Out Event has not occurred and, if provided for in the applicable Final Terms, the Final Fixing Level of the Underlying and/or the Final Fixing Level of the worst performing Basket Performance and/or the Final Fixing Level of the best performing Basket Component and/or the Final Basket Value is above the relevant Strike Level – the Redemption Amount equals the Denomination and/or the Issue Price multiplied by the product of (i) the Participation Factor and (ii) the difference between (A) the quotient of the Final Fixing Level of the Underlying and/or the Final Fixing Level of the worst performing Basket Performance and/or the Final Fixing Level of the best performing Basket Com-

ponent and/or the Final Basket Value and its Initial Fixing Level and/or the Initial Basket Value and (B) the relevant Strike Level.

(b) in the case that a Knock-Out Event has not occurred and, if provided for in the applicable Final Terms, the Final Fixing Level of the Underlying and/or the Final Fixing Level of the worst performing Basket Performance and/or the Final Fixing Level of the best performing Basket Component and/or the Final Basket Value is at or below the relevant Strike Level – the Redemption Amount is zero (0), i.e. no payments will be made and the Product will expire worthless.

(c) in the case that a Knock-Out Event has occurred, the Redemption Amount equals, if provided for in the applicable Final Terms, zero (0), i.e. no payments will be made and the Product will expire worthless or the Redemption Amount equals the Denomination and/or the Issue Price multiplied by the Rebate.

The relevant Knock-Out Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

If provided for in the applicable Final Terms the Redemption Amount can also be determined as follows:

(a) in the case that a Knock-Out Event has not occurred, the Redemption Amount equals the Denomination and/or the Issue Price multiplied by the difference between (A) the quotient of the Final Fixing Level of the Underlying and/or the Final Fixing Level of the worst performing Basket Performance and/or the Final Fixing Level of the best performing Basket Component and/or the Final Basket Value and its Initial Fixing Level and/or the Initial Basket Value and (B) the Strike Level.

(b) in the case that a Knock-Out Event has occurred, the Redemption Amount equals, if provided for in the applicable Final Terms, zero (0), i.e. no payments will be made and the Product will expire worthless or the Redemption Amount equals the Denomination and/or the Issue Price multiplied by the Rebate.

The relevant Knock-Out Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

(ii) Description of Knock-Out Put Warrants

Holders of Knock-Out Put Warrants expect the price of the Underlying and/or Basket Components and/or the value of the Basket to fall. Knock-Out Warrants have a fixed term and will automatically be exercised on the Final Fixing Date (European exercise style). The Holders do not have the right to exercise the Knock-Out Warrants during the term.

In the case of Knock-Out Put Warrants the level of the Redemption Amount is linked to the performance of the Underlying and/or the performance of the best or worst performing Basket Components and/or the performance of the Basket as provided for in the applicable Final Terms.

#### IV. INFORMATION ABOUT THE PRODUCTS

The leverage effect is one of the main characteristics of the Knock-Out Warrants. Holders will participate disproportionately (with leverage) in the performance of the Underlying and/or the relevant Basket Components and/or the Basket. Accordingly, a Holder may earn significant profits or incur significant losses.

The Redemption Amount is determined as follows:

(a) in the case that a Knock-Out Event has not occurred and, if provided for in the applicable Final Terms, the Final Fixing Level of the Underlying and/or the Final Fixing Level of the worst performing Basket Performance and/or the Final Fixing Level of the best performing Basket Component and/or the Final Basket Value is at or below the relevant Strike Level – the Redemption Amount equals the Denomination and/or the Issue Price multiplied by the product of (i) the Participation Factor and (ii) the difference between (A) the relevant Strike Level and (B) the quotient of the Final Fixing Level of the Underlying and/or the Final Fixing Level of the worst performing Basket Performance and/or the Final Fixing Level of the best performing Basket Component and/or the Final Basket Value and its Initial Fixing Level and/or the Initial Basket Value.

(b) in the case that a Knock-Out Event has not occurred and, if provided for in the applicable Final Terms, the Final Fixing Level of the Underlying and/or the Final Fixing Level of the worst performing Basket Performance and/or the Final Fixing Level of the best performing Basket Component and/or the Final Basket Value is above the relevant Strike Level – the Redemption Amount is zero (0), i.e. no payments will be made and the Product will expire worthless.

(c) in the case that a Knock-Out Event has occurred, the Redemption Amount equals, if provided for in the applicable Final Terms, zero (0), i.e. no payments will be made and the Product will expire worthless or the Redemption Amount equals the Denomination and/or the Issue Price multiplied by the Rebate.

The relevant Knock-Out Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

If provided for in the applicable Final Terms the Redemption Amount can also be determined as follows:

(a) in the case that a Knock-Out Event has not occurred, the Redemption Amount equals the Denomination and/or the Issue Price multiplied by the difference between (A) the relevant Strike Level and (B) the quotient of the Final Fixing Level of the Underlying and/or the Final Fixing Level of the worst performing Basket Performance and/or the Final Fixing Level of the best performing Basket Component and/or the Final Basket Value and its Initial Fixing Level and/or the Initial Basket Value.

(b) in the case that a Knock-Out Event has occurred, the Redemption Amount equals, if provided for in the applicable Final Terms, zero (0), i.e. no payments will be made and the Product will expire worthless or the Redemption Amount equals the Denomination and/or the Issue Price multiplied by the Rebate.

The relevant Knock-Out Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms.

***Product No. 34. Explanation of mechanism of Dual Currency Notes***

In the case of Dual Currency Notes, the level of the Redemption Amount is determined as follows:

- (i) If the Final Fixing Level is at or below the Strike Level, the Redemption Amount equals the Denomination multiplied by the sum of one (1) and the Coupon Rate taking into account the Coupon Day Count Fraction, whereby the result is converted from the Settlement Currency into the Alternative Currency using the Strike Level. In this case, the investor will accordingly receive a Redemption Amount in the Alternative Currency.
- (ii) If the Final Fixing Level is above the Strike Level, the Redemption Amount in the Settlement Currency equals the Denomination multiplied by the sum of one (1) and the Coupon Rate taking into account the Coupon Day Count Fraction.

***Product No. 35. Explanation of mechanism of Stability Notes***

The Products have the characteristic such that the level of the Redemption Amount and the time for redemption of the Products depend on whether a Gap Event has occurred. If this is the case, the term of the Products ends early and the Products are redeemed early following the date on which the Gap Event has occurred. If a Gap Event has occurred the Redemption Amount is determined as follows:

- (a) If the Gap is equal to or below the Gap Level, the Redemption Amount is zero (0).
- (b) If the Gap is above the Gap Level, the Redemption Amount equals the Denomination or the Issue Price multiplied by the difference between (A) 100 % and (B) the difference between the Strike Level and the Gap that is multiplied by the Leverage. However, the Redemption Amount is at least zero (0).

If a Gap Event has not occurred during the term of the Product the Redemption Amount on the Redemption Date is equal to the Denomination or the Issue Price.

The relevant Gap Event is defined in § 3 of the Issue Specific Conditions in the applicable Final Terms and occurs if the Reference Price of the Underlying on any Exchange Business Day is equal to or below the Reference Price of the Underlying on the preceding Exchange Business Day multiplied by the Strike Level.

Provided that no Gap Event has occurred, the Holder receives a Coupon Amount on the relevant Coupon Payment Date(s) that is determined on the basis of the Coupon Rate and the Denomination. The coupon payment is independent of the performance of the Underlying. In the case that a Gap Event has occurred the Holder will not receive any accrued coupon payments on the date on which the Gap Event has oc-

curred or on the date when the potential Redemption Amount following the occurrence of a Gap Event is redeemed.

### 3. Collateralisation (COSI)

#### **Collateralization of the Product**

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange AG «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange AG in the form of a regular right of lien under Swiss law. The collateral is booked to a SIX Swiss Exchange AG account with SIX SIS AG. Holders do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day in Zurich (the "**Banking Day**"). The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange AG on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange AG a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX<sup>1</sup> at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

#### **Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 («Framework Agreement»). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58

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<sup>1</sup> "SSX" means SIX Swiss Exchange AG.

800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange AG. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange AG. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange AG. The Current Value of Product shall be determined according to either Method A: Fair Value Method or Method B: Bond Floor Method of these Special Conditions of SIX Swiss Exchange AG, as specified in the relevant Final Terms.

### **Distribution and market making**

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfil its obligations, the collateral will be liquidated by SIX Swiss Exchange AG 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS AG ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

### **Determination of a Liquidation Event**

SIX Swiss Exchange AG is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange AG determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

### **Procedure in case of a Liquidation Event**

If a Liquidation Event occurs, SIX Swiss Exchange AG is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange AG website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liq-



liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

**Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange AG and the issuer**

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange AG shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange AG website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“). Investors' claims against SIX Swiss Exchange AG for the payment of their pro-rata share of the net liquidation proceeds arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange AG are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange AG, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange AG and SIX SIS AG, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange AG will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. Investors' claims against the issuer will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange AG shall make public the applicable Current Values of the COSI Products.

**Costs of liquidation and payout for the benefit of the investors**

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange AG shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange AG shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange AG will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS AG participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX

#### IV. INFORMATION ABOUT THE PRODUCTS

SISAG. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS AG participant, then SIX Swiss Exchange AG and SIX SIS AG shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange AG may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS AG participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange AG is released from all further obligations. SIX Swiss Exchange AG may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS AG participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange AG is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange AG shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS AG on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange AG to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange AG shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange AG, SIX SIS AG or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

### **Secondary Listing**

Apart from the primary listing of the COSI Products on SIX Swiss Exchange AG the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange AG is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

### **Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange AG shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS AG participants to the extent these participants hold the COSI Products in accounts at SIX SIS AG, SIX Swiss Exchange AG and SIX SIS AG are liable only for the careful instruction of these SIX SIS AG participants. If the payment is made via third parties or via SIX SIS AG participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS AG, then SIX Swiss Exchange AG and SIX SIS AG are liable only for the careful selection and instruction.

### **No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

#### **4. Collateralisation of the Products, which are secured by TCM (Triparty Collateral Management**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provi-

sions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to

meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

#### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

#### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

#### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

**Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("FISA") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

## V. TERMS AND CONDITIONS

The Terms and Conditions consist of the following parts (referred to together as the "**Terms and Conditions**"):

- (a) the Issue Specific Conditions as set out under V.1 (the "**Issue Specific Conditions**"), which comprise
  - (i) Part A. Product Specific Conditions; and
  - (ii) Part B. Underlying Specific Conditions; together with
- (b) the General Conditions as set out under V.2 a) and b) (the "**General Conditions**").

*The respective Final Terms will (A) (i) replicate the applicable optional Issue Specific Conditions and (ii) contain new issue specific information in connection with these applicable Issue Specific Conditions (the "**Replication Conditions**") or (B) (i) specify and complete the relevant Product Specific Conditions and Underlying Specific Conditions and (ii) contain new issue specific information (the "**Reference Conditions**"). New information shall be included in the Final Terms solely in compliance with the requirements for Category B and Category C information items in Annex XX of the Prospectus Regulation. With respect to each individual series of Products, the Issue Specific Conditions, (A) in the form in which they are replicated in the Final Terms (in the case of Replication Conditions) and/or (B) in the form in which they are specified and completed (in the case of Reference Conditions), and the General Conditions shall contain the Terms and Conditions applicable to the respective series of Products (the "**Conditions**"). The Issue Specific Conditions, in the form in which they are (A) replicated in the Final Terms (in the case of Replication Conditions) or (B) specified and completed in the Final Terms (in the case of Reference Conditions), must be read together with the General Conditions.*

### 1. Issue Specific Conditions

#### Part A. Product Specific Conditions

*[in the case of Bonus Certificates with Cash Settlement (Product No. 1), insert:*

### § 1

#### **Form and Issue Size; Definitions; Term of the Products**

##### ***(1) Currency; Issue Size***

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") [issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.] [issues



products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.]

(2) **Form**

[insert in the case of Swiss Uncertificated Securities:

(a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will

immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the

Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities ac-

count.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or simi-

lar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated**

**Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends

on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

*[insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, pari passu with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

*[insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, pari passu with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3**

**Definitions**

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

**"Current Exchange Rate Performance"** means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. **"Exchange Rate<sub>(t)</sub>"** means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [●] on the Exchange Rate Page or on any replacement page. **"Exchange Rate<sub>(Initial)</sub>"** means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]*

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the ba-

sis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["**Initial Fixing Period**" means the initial fixing period as specified in **Table 1** in the Annex.]

["**Initial Basket Value**" means the initial basket value as specified in **Table 1** in the Annex.]

["**Number of Basket Component<sub>(i)</sub>**" [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor):  $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$ .] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

["**Business Day**" means

*[insert in the case of Products with Swiss Francs as Settlement Currency:* [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency:* [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in *[insert principal financial centre for such currency: ●].*]

*[insert in the case of Products with Euro as Settlement Currency:* [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]



*[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]*

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: •]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

**"Issue Price"** means the issue price as specified in **Table 1** in the Annex.]

**"Issue Surcharge"** means the issue surcharge as specified in **Table 1** in the Annex.]

**"Issue Date"** means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

**"Conversion Ratio"** means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] *[insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]*

**"Barrier Observation Period"** means the barrier observation period as specified in **Table 1** in the Annex.]

**"Barrier Event"** has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] [[of at least one][a] Basket Component] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] *[insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value is [equal to or] below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price][Final Fixing Level] of [a][at least one] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]*

**"Barrier Level"** means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

**"Underlying"** means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the **"In-**

dex"] ["Share"] ["Participation Certificate (*Genussschein*)"] ["Security representing Shares"] ["Commodity"] ["Currency Exchange Rate"] ["Futures Contract"] ["Fixed Rate Instrument"] ["Derivative Instrument"] ["Fund Unit"] ["Interest Rate"] ["Reference Rate"]) [*insert in the case of a share as Underlying or Basket Component*], as issued by the Share Issuer.]

["**Underlying Valuation Date**"] means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Best Performance**"] means the best performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

["**Basket**"] means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**"] means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**"] means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**"] means the screen page as specified in **Table 2** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Bonus Level**"] means the bonus level as specified in **Table 1** in the Annex.]

["**Coupon Observation Date**"] means each of the coupon observation dates as specified in **Table 1**[3] in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Rate**"] equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the

Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1**[**3**] in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.]]

["**Final Basket Value**" means the sum of the Final Levels of all Basket Components.]

["**Final Level of a Basket Component**" means the Final Fixing Level of the Basket Component multiplied by the [Number of Basket Component][Initial Weighting<sub>(i)</sub>]. Accordingly, the Final Level of a Basket Component will be calculated as follows:

$$\text{Final Level of a Basket Component} = Ff_{(i)} * W_{(i)}$$

whereby

"Ff<sub>(i)</sub>" means the Final Fixing Level of the Basket Component<sub>(i)</sub> and

"W<sub>(i)</sub>" means the [Number of Basket Component][Initial Weighting<sub>(i)</sub>].]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "Index Sponsor"**"** means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]*

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Participation Factor**" means the participation factor as specified in **Table 1** in the Annex.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg][the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irre-

spective of whether the Redemption Date is postponed for one or more Basket Components.]] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**"] means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**"] means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly].]

["**Scheduled Trading Day**"] has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**"] means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**"] means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**"] means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][insert other currency: ●] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][insert other currency: ●] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][insert other currency: ●] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][insert other currency: ●] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**"] means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**"] means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:]*

##### **(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according

to § 10 of the Issue Specific Conditions the  $\frac{[\text{Denomination}][\text{Issue Price}]}{[\text{Performance of the Underlying}]}$  multiplied by the  $\frac{[\text{Final Fixing Level of the Basket Component with the Worst Performance}]}{[\text{Final Basket Value}]}$  and the  $\frac{[\text{Initial Fixing Level of the Basket Component with the Worst Performance}]}{[\text{Initial Basket Value}]}$  multiplied by the Conversion Ratio  $\frac{[\text{Final Fixing Level multiplied by the Conversion Ratio}]}{[\text{Issue Price multiplied by the Performance of the Underlying}]}$  multiplied by the  $\frac{[\text{Issue Price multiplied by the quotient of the Final Basket Value (dividend) [on the Final Fixing Date] and the Initial Basket Value (divisor)}]}{[\text{Final Basket Value}]}$ .

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).] [The result is multiplied by the Exchange Rate Performance.]

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and]* commercially rounded to two (2) decimal places.

**(2) Minimum Redemption**

[Provided that (i) no Barrier Event has occurred [and (ii) the Final Basket Value is equal to or below the Initial Basket Value multiplied by the Bonus Level], the Redemption Amount equals at least the Bonus Level multiplied by the  $\frac{[\text{Denomination}][\text{Issue Price}]}{[\text{Conversion Ratio}]}$  (the "**Minimum Redemption Amount**"). The Minimum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3) and]* commercially rounded to two (2) decimal places.] [Provided that no Barrier Event has occurred the Redemption Amount is determined as follows:

- (a) If the  $\frac{[\text{Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]}]}{[\text{Final Basket Value}]}$  is equal to or below the  $\frac{[\text{Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]}]}{[\text{Initial Basket Value}]}$  multiplied by the Bonus Level, the Redemption Amount equals the Bonus Level multiplied by the  $\frac{[\text{Denomination}][\text{Issue Price}]}{[\text{Conversion Ratio}]}$  (the "**Minimum Redemption Amount**").
- (b) If the  $\frac{[\text{Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]}]}{[\text{Final Basket Value}]}$  is above the  $\frac{[\text{Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]}]}{[\text{Initial Basket Value}]}$  multiplied by the Bonus Level, the Redemption Amount equals the  $\frac{[\text{Denomination}][\text{Issue Price}]}{[\text{Conversion Ratio}]}$  multiplied by the sum of (A) the Bonus Level and (B) the Participation Factor multiplied by the difference between (i) the quotient of the  $\frac{[\text{Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]}]}{[\text{Final Basket Value}]}$  and the  $\frac{[\text{Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]}]}{[\text{Initial Basket Value}]}$  and (ii) the Bonus Level.

[The result is multiplied by the Exchange Rate Performance.]

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3) and]* commercially rounded to two (2) decimal places.]

*[insert if Currency Conversion is applicable:*

**(3) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]*

*[insert if neither COSI nor TCM is applicable:*

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) the  $\frac{[\text{Denomination}][\text{Issue Price}]}{[\text{Performance of the Underlying}]}$  multiplied by the  $\frac{[\text{Final Fixing Level of the Basket Component with the Worst Performance}]}{[\text{Final Basket Value}]}$  and the  $\frac{[\text{Initial Fixing Level of the Basket Component with the Worst Performance}]}{[\text{Initial Basket Value}]}$  multiplied by the Conversion Ratio  $\frac{[\text{Final Fixing Level multiplied by the Conversion Ratio}][\text{Issue Price multiplied by the Performance of the Underlying}]}{[\text{Issue Price multiplied by the quotient of the Final Basket Value (dividend) [on the Final Fixing Date] and the Initial Basket Value (divisor)}]}$ .

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).] [The result is multiplied by the Exchange Rate Performance.]

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and]* commercially rounded to two (2) decimal places.

**(2) Minimum Redemption**

[Provided that (i) no Barrier Event has occurred [and (ii) the Final Basket Value is equal to or below the Initial Basket Value multiplied by the Bonus Level], the Redemption Amount equals at least the Bonus Level multiplied by the [Denomination] [Issue Price] [Conversion Ratio] (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3) and]* commercially rounded to two (2) decimal places.] [Provided that no Barrier Event has occurred the Redemption Amount is determined

as follows:

- (a) If the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is equal to or below the [Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Initial Basket Value] multiplied by the Bonus Level, the Redemption Amount equals the Bonus Level multiplied by the [Denomination][Issue Price] (the "**Minimum Redemption Amount**").
- (b) If the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is above the [Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Initial Basket Value] multiplied by the Bonus Level, the Redemption Amount equals the [Denomination][Issue Price] multiplied by the sum of (A) the Bonus Level and (B) the Participation Factor multiplied by the difference between (i) the quotient of the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] and the [Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Initial Basket Value] and (ii) the Bonus Level.

[The result is multiplied by the Exchange Rate Performance.]

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.]

[*insert if Currency Conversion is applicable*:

**(3) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]



§ 5

**Interest, Coupon Payments**

[The Products bear no interest.] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the Issue Price [whereby the result is multiplied by the Current Exchange Rate Performance] (the "**Coupon Amount**").]

§ 6

**(intentionally left blank)**

§ 7

**(intentionally left blank)**

§ 8

**Payments**

**(1) Payments**

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. [The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders.]

If the Redemption Date [and/or Coupon Payment Date] falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

**(2) Declaration on Regulation S**

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

**(3) Taxes, Fees and Duties**

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

## § 9

### [(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated

#### *(1) Termination Right of Issuer*

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

#### *(2) Transfer of the Redemption Amount in case of termination*

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

#### *(3) Taxes, fees or other duties*

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case either COSI or TCM is applicable:*

## § 10

### Collateral Secured Instruments (COSI)

#### *(1) Collateralization of the Product*

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral

is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

### ***(2) Documentation***

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

### ***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange

AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

#### *(4) Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

#### *(5) Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of

net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current

Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instruments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]



*[insert in the case TCM is applicable:*

## § 10

### Triparty Collateral Management (TCM)

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

#### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding

TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

**Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("FISA") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10**  
**(intentionally left blank)]**

[in the case of Bonus Certificates with potential Physical Settlement (Product No. 2), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art.

973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.



Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2****Status of the Products**

*[insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

*[insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3****Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]*

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor):  $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$  [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

**"Business Day"** means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets set-*

the payments in *[insert principal financial centre for such currency: •].*

*[insert in the case of Products with Euro as Settlement Currency: (in the case of Products with Euro as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with US Dollar as Settlement Currency: (in the case of Products with US Dollar as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: •]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

**"Issue Price"** means the issue price as specified in **Table 1** in the Annex.]

**"Issue Surcharge"** means the issue surcharge as specified in **Table 1** in the Annex.]

**"Issue Date"** means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

**"Conversion Ratio"** means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] *[insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]*

**"Barrier Observation Period"** means the barrier observation period as specified in **Table 1 in the Annex.**]

**"Barrier Event"** has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] *[insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value is equal to or below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price][Final Fixing Level] of [a][at least one] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table 1][2]** in the Annex at any time during the Barrier Observation Period], as determined by*

the Calculation Agent.]]]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]["**Interest Rate**"]["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component*], as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Bonus Level**" means the bonus level as specified in **Table 1** in the Annex.]

["**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table 1**[3] in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Rate**" equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket

Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1**[**3**] in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period:* In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component:* "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site:* ●] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing



Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [*●*] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### **(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a physical delivery of the Underlying and subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Minimum Redemption Amount pursuant to paragraph (2).

##### **(2) Minimum Redemption**

Provided that no Barrier Event has occurred and the Final Fixing Level of the Underlying is equal to or below the Initial Fixing Price multiplied by the Bonus Level, the Redemption Amount equals the Bonus Level multiplied by the Issue Price [whereby the result is multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4) and]* commercially rounded to two (2) decimal places.

**(3) Physical Delivery**

Provided that (i) a Barrier Event has occurred or (ii) no Barrier Event has occurred and the Final Fixing Level of the Underlying is above the Initial Fixing Level multiplied by the Bonus Level, the Issuer will redeem the Products by way of delivery of a number of the Underlying expressed by the Conversion Ratio, with fractions of the Underlying not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the Underlying, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the Underlying. The Cash Payment Amount for Fractions or the Compensation Amount shall be calculated by multiplying the Final Fixing Level [converted into the Settlement Currency [on the basis of [●]]] by the fractions of the Underlying (in the case of the Cash Payment Amount for Fractions) or by the Conversion Ratio (in the case of the Compensation Amount). If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the Underlyings to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.

*[insert if Currency Conversion is applicable:*

**(4) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]*

*[insert if neither COSI nor TCM is applicable:*

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a physical delivery of the Underlying, the Minimum Redemption Amount pursuant to paragraph (2).

**(2) Minimum Redemption**

Provided that no Barrier Event has occurred and the Final Fixing Level of the Underlying is equal to or below the Initial Fixing Price multiplied by the Bonus Level, the Redemption Amount equals the Bonus Level multiplied by the Issue Price [whereby the result is multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.

**(3) Physical Delivery**

Provided that (i) a Barrier Event has occurred or (ii) no Barrier Event has occurred and the Final Fixing Level of the Underlying is above the Initial Fixing Level multiplied by the Bonus Level, the Issuer will redeem the Products by way of delivery of a number of the Underlying expressed by the Conversion Ratio, with fractions of the Underlying not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the Underlying, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the Underlying. The Cash Payment Amount for Fractions or the Compensation Amount shall be calculated by multiplying the Final Fixing Level [converted into the Settlement Currency [on the basis of [●]]] by the fractions of the Underlying (in the case of the Cash Payment Amount for Fractions) or by the Conversion Ratio (in the case of the Compensation Amount). If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the Underlyings to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

**(1) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Set-

tlement Currency ("Quanto").]

**§ 5**

**Interest, Coupon Payments**

[The Products bear no interest.] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the Issue Price [whereby the result is multiplied by the Current Exchange Rate Performance] (the "Coupon Amount").]

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments, Physical Delivery**

**(1) Payments**

The Issuer shall cause the claimed Redemption Amount, if any, or the delivery of the Underlying or any other amount to be paid pursuant to § 4 of the Issue Specific Conditions to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. [The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders.]

If the Redemption Date [and/or Coupon Payment Date] falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

**(2) Declaration on Regulation S**

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

**(3) Taxes, Fees and Duties**

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

## § 9

### [(not applicable)][*insert in the case of TCM Secured Products (if applicable)*] : **Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

#### ***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

#### ***(2) Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

#### ***(3) Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case either COSI or TCM is applicable:]*

## § 10

### **Collateral Secured Instruments (COSI)**

#### ***(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral

is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

### ***(2) Documentation***

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [term-sheet@leonteq.com](mailto:term-sheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

### ***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange

AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

#### *(4) Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

#### *(5) Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.



***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of

net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current

Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instruments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

## § 10

### **Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

#### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding

TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

#### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("FISA") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

#### **Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*



**§ 10**  
**(intentionally left blank)]**

[in the case of Capped Bonus Certificates with Cash Settlement and with par value (Product No. 3), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss SIX SIS Bearer Securities:*

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer.

The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products

created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"Clearing System" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3**

**Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance]



[●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]*

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor):  $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$ .] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

**"Business Day"** means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]*

*[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]*

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

**"Issue Price"** means the issue price as specified in **Table 1** in the Annex.]

**"Issue Surcharge"** means the issue surcharge as specified in **Table 1** in the Annex.]

**"Issue Date"** means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

**"Barrier Observation Period"** means the barrier observation period as specified in **Table 1** in the Annex.]

**"Barrier Event"** has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] *[insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value is equal to or below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price][Final Fixing Level] of [a][at least one] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table 1**[**2**] in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]]*

**"Barrier Level"** means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

**"Underlying"** means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instru-**

**ment**][**Derivative Instrument**][**Fund Unit**][**Interest Rate**][**Reference Rate**]) [*insert in the case of a share as Underlying or Basket Component*., as issued by the Share Issuer].]

[**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

[**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

[**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

[**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

[**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: **Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

[**Bonus Level**" means the bonus level as specified in **Table 1** in the Annex.]

[**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

[**Coupon Rate**" equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

[**Coupon Payment Date**" means the coupon payment date as specified in **Table [1][3]** in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postpone-

ment of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Cap Level**" means the Cap Level as specified in **Table 1** in the Annex.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Final Basket Value**" means the sum of the Final Levels of all Basket Components.]

["**Final Level of a Basket Component**" means the Final Fixing Level of the Basket Component multiplied by the [Number of Basket Component][Initial Weighting<sub>(i)</sub>]. Accordingly, the Final Level of a Basket Component will be calculated as follows:

$$\text{Final Level of a Basket Component} = Ff_{(i)} * W_{(i)}$$

whereby

"Ff<sub>(i)</sub>" means the Final Fixing Level of the Basket Component<sub>(i)</sub> and

"W<sub>(i)</sub>" means the [Number of Basket Component][Initial Weighting<sub>(i)</sub>].]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "Index Sponsor"**"** means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]*

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [dis-

played on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in Table 1 in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### **(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the Denomination multiplied by the quotient of the Final Basket Value (dividend) and the Initial Basket Value (divisor). [The result is multiplied by the Exchange Rate Performance.]

The Redemption Amount will be *[insert if Currency Conversion is applicable:* converted into the Set-

tlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.

**(2) Minimum Redemption**

Provided that (i) no Barrier Event has occurred and (ii) the Final Basket Value is equal to or below the Initial Basket Value multiplied by the Bonus Level, the Redemption Amount equals at least the Bonus Level multiplied by the Denomination [whereby the result is multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the Denomination multiplied by the Cap Level [whereby the result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

**(4) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

[*insert if neither COSI nor TCM is applicable*:

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum

Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3) the Denomination multiplied by the quotient of the Final Basket Value (dividend) and the Initial Basket Value (divisor). [The result is multiplied by the Exchange Rate Performance.]

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.

**(2) Minimum Redemption**

Provided that (i) no Barrier Event has occurred and (ii) the Final Basket Value is equal to or below the Initial Basket Value multiplied by the Bonus Level, the Redemption Amount equals at least the Bonus Level multiplied by the Denomination [whereby the result is multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the Denomination multiplied by the Cap Level [whereby the result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

**(4) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]



**§ 5**

**Interest, Coupon Payments**

[The Products bear no interest.] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the Issue Price [whereby the result is multiplied by the Current Exchange Rate Performance] (the "**Coupon Amount**").]

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments**

**(1) Payments**

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. [The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders.]

If the Redemption Date [and/or Coupon Payment Date] falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

**(2) Declaration on Regulation S**

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

**(3) Taxes, Fees and Duties**

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

***(2) Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

***(3) Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:*

**§ 10****Collateral Secured Instruments (COSI)*****(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

***(2) Documentation***

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 («Framework Agreement»). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [term-sheet@leonteq.com](mailto:term-sheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at "[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)".

***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the

trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

#### **(4) Distribution and market making**

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

#### **(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated

with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collat-

eral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on

which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) *Liability***

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) *No authorisation***

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) *Congruence with the Conditions***

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instru-	



ments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

## § 10

### **Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

#### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**").

The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current

Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up

proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

**Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

**Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

**Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Prod-

## V. TERMS AND CONDITIONS

uct will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10**  
**(intentionally left blank)]**

[in the case of Capped Bonus Certificates with Cash Settlement and without par value (Product No. 4), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

**"Custody Agent"** is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.



Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"Clearing System" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2****Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3****Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]*

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor):  $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$  [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex].]

**"Business Day"** means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets set-*

tle payments in [*insert principal financial centre for such currency: ●*].]

[*insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[*insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[*insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [*insert currency: ●*]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value is equal to or below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price][Final Fixing Level] of [all][a][at least one] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]]*]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"] ["**Interest Rate**"] ["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component: , as issued by the Share Issuer.*]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the An-

nex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]*

["**Bonus Level**" means the bonus level as specified in **Table 1** in the Annex.]

["**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Rate**" equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table [1][3]** in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Cap Level**" means the Cap Level as specified in **Table 1** in the Annex.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.*]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component] means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any re-



placement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding [Initial Fixing Level][Strike Level].]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [*●*] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

[*insert if either COSI or TCM is applicable:*

##### (1) *Redemption Amount*

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Issue Price multiplied by the Performance of the [Underlying][Basket Component with the Worst Performance]. [The result is multiplied by the Exchange Rate Performance.]

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

The Redemption Amount will be [*insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.

##### (2) *Minimum Redemption*

Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level [of the Basket Component with the Worst Performance] is above the Initial Fixing Level multiplied by the Bonus Level], the Redemption Amount equals [at least] the Bonus Level multiplied by the Issue Price [whereby the result is multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the Issue Price multiplied by the Cap Level [whereby the result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

**(4) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]

[*insert if neither COSI nor TCM is applicable*:

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3), the Issue Price multiplied by the Performance of the [Underlying][Basket Component with the Worst Performance]. [The result is multiplied by the Exchange Rate Performance.]

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.

**(2) Minimum Redemption**

Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final

Fixing Level [of the Basket Component with the Worst Performance] is above the Initial Fixing Level multiplied by the Bonus Level], the Redemption Amount equals [at least] the Bonus Level multiplied by the Issue Price [whereby the result is multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the Issue Price multiplied by the Cap Level [whereby the result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

**(4) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]

**§ 5**

**Interest, Coupon Payments**

[The Products bear no interest.] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the Issue Price [whereby the result is multiplied by the Current Exchange Rate Performance] (the "**Coupon Amount**").]

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments**

***(1) Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. [The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders.]

If the Redemption Date [and/or Coupon Payment Date] falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated]**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date

on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) Transfer of the Redemption Amount in case of termination**

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) Taxes, fees or other duties**

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

[insert in the case COSI is applicable:

**§ 10**

**Collateral Secured Instruments (COSI)**

**(1) Collateralization of the Product**

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the

two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

**(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [term-sheet@leonteq.com](mailto:term-sheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

**(3) Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

***(4) Distribution and market making***

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

***(5) Risks***

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 let-



ter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a

COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

*(10) Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current

Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) *Liability***

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper

selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instruments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10**

**Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product

and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recov-

ery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entire-

ly until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation

Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10  
(intentionally left blank)]**



[in the case of Capped Bonus Certificates with potential Physical Settlement (Product No. 5), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"Clearing System" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3**

**Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]*

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Denomination][Initial Basket Value] \* Initial Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

**"Business Day"** means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets set-*



the payments in [*insert principal financial centre for such currency: ●*].]

[*insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[*insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[*insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [*insert currency: ●*]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] [*insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]*]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value is equal or to falls below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price][Final Fixing Level] of [a][at least one] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex at any time during the Barrier Observation Peri-*]

od], as determined by the Calculation Agent.]]]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]["**Interest Rate**"]["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component*], as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Bonus Level**" means the bonus level as specified in **Table 1** in the Annex.]

["**Cap Level**" means the Cap Level as specified in **Table 1** in the Annex.]

["**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table 1**[**3**] in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]]

["**Coupon Rate**" equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket

Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1**[**3**] in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period:* In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component:* "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site:* ●] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg][the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [*●*] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### ***(1) Redemption Amount***

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a physical delivery of the Underlying and subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Minimum Redemption Amount pursuant to paragraph (2) which is equal to the Maximum Redemption Amount pursuant to paragraph (3).

##### ***(2) Minimum Redemption***

Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level of the Underlying is above the Issue Price multiplied by the Bonus Level], the Redemption Amount equals the Bonus Level multiplied by the Issue Price [whereby the result is multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (5) and]* commercially rounded to two (2)

decimal places.

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the Issue Price multiplied by the Cap Level [whereby the result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (5) and] commercially rounded to two (2) decimal places.

**(4) Physical Delivery**

Provided that a Barrier Event has occurred [and the Final Fixing Level of the Underlying is equal to or below the Issue Price multiplied by the Bonus Level], the Issuer will redeem the Products by way of delivery of a number of the Underlying expressed by the Conversion Ratio, with fractions of the Underlying not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the Underlying, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the Underlying. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level [converted into the Settlement Currency [on the basis of [●]], which considering the Conversion Ratio is either related to the fraction of the Underlying (in the case of the Cash Payment Amount for Fractions) or to the number of the Underlying (in the case of the Compensation Amount). If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the Underlyings to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

**(5) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert*

*if Quanto is applicable:* at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]

[*insert if neither COSI nor TCM is applicable:*

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a physical delivery of the Underlying, the Minimum Redemption Amount pursuant to paragraph (2) which is equal to the Maximum Redemption Amount pursuant to paragraph (3).

**(2) Minimum Redemption**

Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level of the Underlying is above the Issue Price multiplied by the Bonus Level], the Redemption Amount equals the Bonus Level multiplied by the Issue Price [whereby the result is multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (5) and] commercially rounded to two (2) decimal places.

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the Issue Price multiplied by the Cap Level [whereby the result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (5) and] commercially rounded to two (2) decimal places.

**(4) Physical Delivery**

Provided that a Barrier Event has occurred [and the Final Fixing Level of the Underlying is equal to or below the Issue Price multiplied by the Bonus Level], the Issuer will redeem the Products by way of delivery of a number of the Underlying expressed by the Conversion Ratio, with fractions of the Underlying not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the Underlying, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the Underlying. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level [converted into the Settlement Currency [on the basis of [●]], which considering the Conversion Ratio is either related to the fraction of the Underlying (in the case of the Cash Payment Amount for Fractions) or to the number of the Underlying (in the case of the Compensation Amount). If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the Underlyings to be settled would increase. The Cash

Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.

*[insert if Currency Conversion is applicable:*

**(5) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]*

**§ 5**

**Interest, Coupon Payments**

*[The Products bear no interest.]* *[The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the Issue Price [whereby the result is multiplied by the Current Exchange Rate Performance] (the "Coupon Amount").]*

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments, Physical Delivery**

**(1) Payments**

The Issuer shall cause the claimed Redemption Amount, if any, or the delivery of the Underlying or any other amount to be paid pursuant to § 4 of the Issue Specific Conditions to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. *[The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders.]*



If the Redemption Date [and/or Coupon Payment Date] falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

***(2) Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) Taxes, fees or other duties**

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

[insert in the case COSI is applicable:

**§ 10****Collateral Secured Instruments (COSI)****(1) Collateralization of the Product**

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

**(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich,

Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [term-sheet@leonteq.com](mailto:term-sheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

### *(3) Collateralization method*

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

### *(4) Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

**(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

**(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

**(10) *Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of

the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) *Liability***

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) *No authorisation***

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this § 10 "Collateral Secured Instruments (COSI)"	Corresponding definition in these Conditions
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10****Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the



TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

**Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

**Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

**Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

**Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

#### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

#### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

#### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

#### **Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the pro-

ceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:*

**§ 10**  
**(intentionally left blank)]**

[in the case of Notes (Reverse Convertibles) with Cash Settlement (Product No. 6), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Note**" or a "**Product**" and together the "**Notes**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

**"Custody Agent"** is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:]*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:]*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

*"Holder" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]*

*[insert in the case of Swiss Euroclear Bearer Securities:]*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-



ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2****Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3****Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]*

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor):  $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$ .] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

**"Business Day"** means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets set-*

tle payments in [*insert principal financial centre for such currency: ●*].]

[*insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[*insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[*insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [*insert currency: ●*]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**" means the strike level as specified in **Table 1** in the Annex.]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"] ["**Interest Rate**"] ["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component, as issued by the Share Issuer.*]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange"* means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component]

has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1** in the Annex or, if this date is not a Business Day, the next following Business Day.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "Index Sponsor" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]*

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] *[insert Internet site: ●]* [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following

day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:]*

##### **(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3), or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Denomination multiplied by the Performance of the Underlying. [The result is multiplied by the Exchange Rate Performance.]

The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the Strike Level (divisor).

The Redemption Amount will be commercially rounded to two (2) decimal places.

##### **(2) Minimum Redemption**

Provided that the Final Fixing Level of the Underlying is above the Strike Level, the Redemption Amount equals the Denomination [multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

[The Minimum Redemption Amount will be commercially rounded to two (2) decimal places.]



**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the Denomination [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").]

[The Maximum Redemption Amount will be commercially rounded to two (2) decimal places.]

[insert if neither COSI nor TCM is applicable:

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3), the Denomination multiplied by the Performance of the Underlying. [The result is multiplied by the Exchange Rate Performance.]

The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the Strike Level (divisor).

The Redemption Amount will be commercially rounded to two (2) decimal places.

**(2) Minimum Redemption**

Provided that the Final Fixing Level of the Underlying is above the Strike Level, the Redemption Amount equals the Denomination [multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

[The Minimum Redemption Amount will be commercially rounded to two (2) decimal places.]

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the Denomination [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").]

[The Maximum Redemption Amount will be commercially rounded to two (2) decimal places.]

**§ 5**

**Interest, Coupon Payments**

For the Product a coupon payment shall be made in the Settlement Currency on the Coupon Payment Date in the amount (the "**Coupon Amount**") specified for the Coupon Payment Date in **Table 1** in the Annex [whereby the amount is multiplied by the Current Exchange Rate Performance]. Any postponement of the Coupon Payment Date has no effect on the Coupon Amount (see § 8 (1) of the Issue Specific Conditions).

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments**

***(1) Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Redemption Date or Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated]**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of

at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) *Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) *Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:*

**§ 10**

**Collateral Secured Instruments (COSI)**

**(1) *Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a

Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

**(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [term-sheet@leonteq.com](mailto:term-sheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

**(3) Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

**(4) Distribution and market making**

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to

ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

**(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

**(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings

Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right

under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

*(10) Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio

between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) Secondary Listing**

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the



COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instruments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10**

**Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Prod-

uct. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value

(determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will deter-

mine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:*

**§ 10  
(intentionally left blank)]**

[in the case of Notes (Reverse Convertibles) with potential Physical Settlement (Product No. 7), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Note**" or a "**Product**" and together the "**Notes**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

**"Custody Agent"** is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.



Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2****Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3****Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]*

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor):  $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$ .] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

**"Business Day"** means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets set-*

tle payments in [*insert principal financial centre for such currency: •*].]

[*insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[*insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[*insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [*insert currency: •*]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*]

["**Issue Price**"] means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**"] means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**"] means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**"] means the strike level as specified in **Table 1** in the Annex.]

["**Conversion Ratio**"] means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].]][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] [*insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]*]

["**Underlying**"] means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]["**Interest Rate**"]["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component, as issued by the Share Issuer.*]

["**Underlying Valuation Date**"] means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange"* means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1** in the Annex or, if this date is not a Business Day, the next following Business Day.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to §



9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption, Physical Delivery

*[insert if either COSI or TCM is applicable:*

##### *(1) Redemption Amount*

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a physical settlement pursuant to paragraph (4) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Minimum Redemption Amount pursuant to paragraph (2) which equals the Maximum Redemption Amount pursuant to paragraph (3).

**(2) Minimum Redemption**

Provided that the Final Fixing Level is above the Strike Level, the Redemption Amount equals the Denomination [multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

[The Minimum Redemption Amount will be commercially rounded to two (2) decimal places.]

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the Denomination [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be commercially rounded to two (2) decimal places.]

**(4) Settlement by delivery**

If the Final Fixing Level is equal to or below the Strike Level, the Issuer will redeem the Products by way of delivery of a number of the Underlying expressed by the Conversion Ratio, with fractions of the Underlying not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the Underlying, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the Underlying. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level [converted into the Settlement Currency [on the basis of [●]], which considering the Conversion Ratio is either related to the fraction of the Underlying (in the case of the Cash Payment Amount for Fractions) or to the number of the Underlying (in the case of the Compensation Amount). If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the Underlyings to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]

[insert if neither COSI nor TCM is applicable:]

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a physical settlement pursuant to paragraph (4), the Minimum Redemption Amount pursuant to paragraph (2) which equals the Maximum Redemption Amount pursuant to paragraph (3).

**(2) Minimum Redemption**

Provided that the Final Fixing Level is above the Strike Level, the Redemption Amount equals the Denomination [multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

[The Minimum Redemption Amount will be commercially rounded to two (2) decimal places.]

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the Denomination [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be commercially rounded to two (2) decimal places.]

**(4) Settlement by delivery**

If the Final Fixing Level is equal to or below the Strike Level, the Issuer will redeem the Products by way of delivery of a number of the Underlying expressed by the Conversion Ratio, with fractions of the Underlying not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the Underlying, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the Underlying. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level [converted into the Settlement Currency [on the basis of [●]], which considering the Conversion Ratio is either related to the fraction of the Underlying (in the case of the Cash Payment Amount for Fractions) or to the number of the Underlying (in the case of the Compensation Amount). If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the Underlyings to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]

**§ 5**

**Interest, Coupon Payments**

For the Product a coupon payment shall be made in the Settlement Currency on the Coupon Payment Date in the amount (the "**Coupon Amount**") specified for the Coupon Payment Date in **Table 1** in the Annex [whereby the amount is multiplied by the Current Exchange Rate Performance]. Any postponement of the Coupon Payment Date has no effect on the Coupon Amount (see § 8 (1) of the Issue Specific Conditions).

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments, Physical Delivery**

**(1) Payments, Physical Delivery**

The Issuer shall cause the delivery of the Underlying or the claimed Redemption Amount, if any, or any other amount to be paid pursuant to § 4 of the Issue Specific Conditions to be transferred via the

Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Redemption Date or Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

**(2) Declaration on Regulation S**

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

**(3) Taxes, Fees and Duties**

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

**(1) Termination Right of Issuer**

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) Transfer of the Redemption Amount in case of termination**

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific

Conditions shall be deemed to have been made automatically.

**(3) Taxes, fees or other duties**

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:*

**§ 10**

**Collateral Secured Instruments (COSI)**

**(1) Collateralization of the Product**

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

**(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Frame-

work Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [term-sheet@leonteq.com](mailto:term-sheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at "[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)".

### *(3) Collateralization method*

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

### *(4) Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

**(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

**(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website (www.six-swiss-exchange.com under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.



**(10) *Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of

the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) *Liability***

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) *No authorisation***

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this § 10 "Collateral Secured Instruments (COSI)"	Corresponding definition in these Conditions
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10****Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four busi-

ness days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

#### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in

particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

#### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

#### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

#### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

#### **Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against

the Collateral Provider under the terms of the TCM Security Agreement The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:*

**§ 10**  
**(intentionally left blank)]**

[in the case of Notes (Barrier Reverse Convertibles) with Cash Settlement (Product No. 8), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Note**" or a "**Product**" and together the "**Notes**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or



transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

**"Custody Agent"** is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2****Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3****Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]*

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor):  $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$  [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

**"Business Day"** means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets set-*

tle payments in [*insert principal financial centre for such currency: ●*].]

[*insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[*insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[*insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [*insert currency: ●*]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value is equal to or below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Barrier Observation Period, as determined by the Calculation Agent] [the Reference Price of [a][at least one] Basket Component is [equal to or] below the Barrier Level specified in **Table [1][2]** in the Annex, as determined by the Calculation Agent] [the [Price][Reference Price] of [at least] [a][two or more] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.] [the [Price][Reference Price] [Final Fixing Level] of [a][two or more] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex [at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]]]*

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing**



**Shares**["Commodity"]["Currency Exchange Rate"] ["Futures Contract"]["Fixed Rate Instrument"]["Derivative Instrument"]["Fund Unit"]["Interest Rate"]["Reference Rate"]) [*insert in the case of a share as Underlying or Basket Component*., as issued by the Share Issuer.].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table 1**[**3**] in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Rate**" equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1**[**3**] in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed

accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.*]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Ex-

change Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component]] [all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:]*

##### **(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Denomination multiplied by the [Performance of the Underlying][Worst Performance]. [The result is multiplied by the Exchange Rate Performance.]

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

The Redemption Amount will be commercially rounded to two (2) decimal places.

##### **(2) Minimum Redemption**

Provided that [(i) no Barrier Event has occurred or (ii) a Barrier Event has occurred and the Final Fixing Level of the Underlying is above the Initial Fixing Level][no Barrier Event has occurred], the Redemption Amount equals the Denomination [multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

[The Minimum Redemption Amount will be commercially rounded to two (2) decimal places.]

##### **(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the Denomination [multiplied by the Ex-

change Rate Performance] (the "**Maximum Redemption Amount**").]

[The Maximum Redemption Amount will be commercially rounded to two (2) decimal places.]

*[insert if neither COSI nor TCM is applicable:*

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3), the Denomination multiplied by the [Performance of the Underlying][Worst Performance]. [The result is multiplied by the Exchange Rate Performance.]

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

The Redemption Amount will be commercially rounded to two (2) decimal places.

**(2) Minimum Redemption**

Provided that [(i) no Barrier Event has occurred or (ii) a Barrier Event has occurred and the Final Fixing Level of the Underlying is above the Initial Fixing Level][no Barrier Event has occurred], the Redemption Amount equals the Denomination [multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

[The Minimum Redemption Amount will be commercially rounded to two (2) decimal places.]

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the Denomination [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").]

[The Maximum Redemption Amount will be commercially rounded to two (2) decimal places.]

**§ 5**

**Interest, Coupon Payments**

[For the Product a coupon payment shall be made in the Settlement Currency on the Coupon Payment Date in the amount (the "**Coupon Amount**") specified for the Coupon Payment Date in **Table 1** in the Annex [whereby the amount is multiplied by the Current Exchange Rate Performance]. Any postponement of the Coupon Payment Date has no effect on the Coupon Amount (see § 8 (1) of the Issue Specific Conditions).] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the Issue Price [whereby the result is multiplied by the Current Exchange Rate Performance].]

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments**

***(1) Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Redemption Date or Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated]**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of

at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

***(2) Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

***(3) Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:*

**§ 10**

**Collateral Secured Instruments (COSI)**

***(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a

Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

**(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [term-sheet@leonteq.com](mailto:term-sheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

**(3) Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

**(4) Distribution and market making**

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to



ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

#### **(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

#### **(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings

Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right

under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

*(10) Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio

between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) Secondary Listing**

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the

COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instruments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10**

**Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Prod-

uct. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value

(determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will deter-



mine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10  
(intentionally left blank)]**

[in the case of Notes (Barrier Reverse Convertibles) with potential Physical Settlement (Product No. 9), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Note**" or a "**Product**" and together the "**Notes**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

**"Custody Agent"** is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(c) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(d) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2****Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3****Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]



*[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]*

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor):  $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$  [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

**"Business Day"** means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets set-*

tle payments in [*insert principal financial centre for such currency: ●*].]

[*insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[*insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[*insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [*insert currency: ●*]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] [*insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]*]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value is equal to or below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of [a][two or more] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table 1**][2] in the Annex at any time during the Barrier Observation Period], as determined by*]

the Calculation Agent.] [the [Price[s]][Reference Price[s]] [Final Fixing Level[s]] of [a][two or more] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex [at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]]

["**Barrier Level**"] means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**"] means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]["**Interest Rate**"]["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component*], as issued by the Share Issuer.]

["**Underlying Valuation Date**"] means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**"] means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**"] means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**"] means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**"] means the screen page as specified in **Table 2** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Observation Date**"] means each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Rate**"] equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Perfor-**

**mance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1**[**3**] in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period:* In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component:* "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site:* ●] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg][the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [*●*] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption, Physical Delivery

*[insert if either COSI or TCM is applicable:]*

***(1) Redemption Amount***

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a physical settlement pursuant to paragraph (4) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Minimum Redemption Amount pursuant to paragraph (2) which equals the Maximum Redemption Amount pursuant to paragraph (3).

***(2) Minimum Redemption***

Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level is above the Initial Fixing Level], the Redemption Amount equals the Denomination [multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

[The Maximum Redemption Amount will be commercially rounded to two (2) decimal places.]

***(3) Maximum Redemption***

The Redemption Amount per Product equals no more than the Denomination [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be commercially rounded to two (2) decimal places.]

***(4) Settlement by delivery***

If a Barrier Event has occurred [and the Final Fixing Level reaches or falls below the Initial Fixing Level], the Issuer will redeem the Products by way of delivery of a number of the [Underlying][Basket Component with the Worst Performance] expressed by the Conversion Ratio, with fractions of the [Underlying][relevant Basket Component] not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the [Underlying][relevant Basket Component], for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the [Underlying][relevant Basket Component]. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level of the [Underlying][relevant Basket Component] [converted into the Settlement Currency [on the basis of [●]]], which considering the Conversion Ratio is either related to the fraction of the [Underlying][relevant Basket Component] (in the case of the Cash Payment Amount for Fractions) or to the number of the [Underlying][relevant Basket Component] (in the case of the Compensation Amount). If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the [Underlyings][relevant Basket Components] to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]

[insert if neither COSI nor TCM is applicable:

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a physical settlement pursuant to paragraph (4), the Minimum Redemption Amount pursuant to paragraph (2) which equals the Maximum Redemption Amount pursuant to paragraph (3).

**(2) Minimum Redemption**

Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level is above the Initial Fixing Level], the Redemption Amount equals the Denomination [multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

[The Minimum Redemption Amount will be commercially rounded to two (2) decimal places.]

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the Denomination [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be commercially rounded to two (2) decimal places.]

**(4) Settlement by delivery**

If a Barrier Event has occurred [and the Final Fixing Level reaches or falls below the Initial Fixing Level], the Issuer will redeem the Products by way of delivery of a number of the [Underlying][Basket Component with the Worst Performance] expressed by the Conversion Ratio, with fractions of the [Underlying][relevant Basket Component] not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the [Underlying][relevant Basket Component], for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the [Underlying][relevant Basket Component]. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level of the [Underlying][relevant Basket Component] [converted into the Settlement Currency [on the basis of [●]]], which considering the Conversion Ratio is either related to the fraction of the [Underlying][relevant Basket Component] (in the case of the Cash Payment Amount for Fractions) or to the number of the [Underlying][relevant Basket Component] (in the case of the Compensation Amount). If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the [Underlyings][relevant Basket Components] to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]



**§ 5****Interest, Coupon Payments**

[For the Product a coupon payment shall be made in the Settlement Currency on the Coupon Payment Date in the amount (the "**Coupon Amount**") specified for the Coupon Payment Date in **Table 1** in the Annex [whereby the amount is multiplied by the Current Exchange Rate Performance]. Any postponement of the Coupon Payment Date has no effect on the Coupon Amount (see § 8 (1) of the Issue Specific Conditions).] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the Issue Price [whereby the result is multiplied by the Current Exchange Rate Performance].]

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8****Payments, Physical Delivery*****(1) Payments, Physical Delivery***

The Issuer shall cause the delivery of the Underlying or Basket Component, as the case may be, or the claimed Redemption Amount, if any, or any other amount to be paid pursuant to § 4 of the Issue Specific Conditions to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Redemption Date or Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

## § 9

### [(not applicable)][*insert in the case of TCM Secured Products (if applicable)*] : **Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

#### ***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

#### ***(2) Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

#### ***(3) Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:*

## § 10

### **Collateral Secured Instruments (COSI)**

#### ***(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral

is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

### ***(2) Documentation***

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [term-sheet@leonteq.com](mailto:term-sheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

### ***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange

AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

#### *(4) Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

#### *(5) Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of

net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current

Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instruments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]



*[insert in the case TCM is applicable:*

## § 10

### Triparty Collateral Management (TCM)

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

#### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding

TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

**Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

**Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("FISA") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10**  
**(intentionally left blank)]**

[in the case of Discount Certificates with Cash Settlement (Product No. 10), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the

respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art.

973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.



Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"Clearing System" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3**

**Definitions**

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

[*insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].*]

["**Initial Fixing Level**" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying]

[Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["**Initial Fixing Period**" means the initial fixing period as specified in **Table 1** in the Annex.]

["**Initial Basket Value**" means the initial basket value as specified in **Table 1** in the Annex.]

["**Number of Basket Component<sub>(i)</sub>**" [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Denomination][Initial Basket Value] \* Initial Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex].]

["**Business Day**" means

*[insert in the case of Products with Swiss Francs as Settlement Currency:* [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency:* [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in *[insert principal financial centre for such currency: ●]*.)]

*[insert in the case of Products with Euro as Settlement Currency:* [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with US Dollar as Settlement Currency:* [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in

New York and Zurich.]

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: •]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

["**Issue Price**"] means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**"] means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**"] means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Conversion Ratio**"] means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].]][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] *[insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]*

["**Underlying**"] means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"] ["**Interest Rate**"] ["**Reference Rate**"]) *[insert in the case of a share as Underlying or Basket Component, as issued by the Share Issuer].]*

["**Underlying Valuation Date**"] means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**"] means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**"] means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**"] means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**"] means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substi-*

tute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Cap Level**"] means the Cap Level as specified in **Table 1** in the Annex.]

["**Fiscal Agent**"] means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**"] means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**"] means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Initial Fixing Date**"] means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*

["**Business Centre**"] means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]*

["**Initial Weighting<sub>(i)</sub>**"] means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**"] [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] *[insert Internet site: ●]* [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]

["**Relevant Performance**"] [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**"] [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to



the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### **(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Maximum Redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the Final Fixing Level multiplied by the Conversion Ratio. [The result is multiplied by the Exchange Rate Performance.]

The Redemption Amount will be [*insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and] commercially rounded to two (2) decimal places.

##### **(2) Maximum Redemption**

Provided that the Final Fixing Level is above the Cap Level, the Redemption Amount equals the Cap Level multiplied by the Conversion Ratio [whereby the result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.

*[insert if Currency Conversion is applicable:*

**(3) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]*

*[insert if neither COSI nor TCM is applicable:*

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Maximum Redemption pursuant to paragraph (2) the Final Fixing Level multiplied by the Conversion Ratio. [The result is multiplied by the Exchange Rate Performance.]

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and]* commercially rounded to two (2) decimal places.

**(2) Maximum Redemption**

Provided that the Final Fixing Level is above the Cap Level, the Redemption Amount equals the Cap Level multiplied by the Conversion Ratio [whereby the result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3) and]* commercially rounded to two (2) decimal places.

*[insert if Currency Conversion is applicable:*

**(3) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Cur-*

rency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion. *[[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]]*

**§ 5**

**Interest, Coupon Payments**

The Products bear no interest.

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments**

***(1) Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption

Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

***(2) Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

***(3) Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:*

**§ 10**

**Collateral Secured Instruments (COSI)**

***(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time

as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

### ***(2) Documentation***

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [term-sheet@leonteq.com](mailto:term-sheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

### ***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a

COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

#### ***(4) Distribution and market making***

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

#### ***(5) Risks***

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of

the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended,

and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors



who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the CO-

SI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) *Liability***

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) *No authorisation***

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) *Congruence with the Conditions***

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this § 10 "Collateral Secured Instru- ments (COSI)"	Corresponding definition in these Conditions
investor	Holder
issuer	Issuer
issuing condi- tions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:]*

## § 10

### **Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

#### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

**Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("FISA") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10**  
**(intentionally left blank)]**

[in the case of Discount Certificates with potential Physical Settlement (Product No. 11), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or



transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"Clearing System" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3**

**Definitions**

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

[*insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].*]

["**Initial Fixing Level**" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying]

[Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["**Initial Fixing Period**" means the initial fixing period as specified in **Table 1** in the Annex.]

["**Initial Basket Value**" means the initial basket value as specified in **Table 1** in the Annex.]

["**Number of Basket Component<sub>(i)</sub>**" [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Denomination][Initial Basket Value] \* Initial Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex].]

["**Business Day**" means

*[insert in the case of Products with Swiss Francs as Settlement Currency:* [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency:* [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in *[insert principal financial centre for such currency: ●]*.)]

*[insert in the case of Products with Euro as Settlement Currency:* [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with US Dollar as Settlement Currency:* [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in

New York and Zurich.]

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: •]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] *[insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]]*

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]["**Interest Rate**"]["**Reference Rate**"]) *[insert in the case of a share as Underlying or Basket Component, as issued by the Share Issuer].]*

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substi-*



tute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Cap Level**"] means the Cap Level as specified in **Table 1** in the Annex.]

["**Fiscal Agent**"] means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**"] means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**"] means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Initial Fixing Date**"] means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*

["**Business Centre**"] means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "Index Sponsor"**"]** means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]*

["**Initial Weighting<sub>(i)</sub>**"] means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**"] [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] *[insert Internet site: ●]* [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**"] [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**"] [of a Basket Component] means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to

the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][insert other currency: ●] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][insert other currency: ●] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][insert other currency: ●] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][insert other currency: ●] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### **Redemption, Physical Delivery**

*[insert if either COSI or TCM is applicable:*

##### **(1) Physical Delivery**

The Issuer will, subject to a Maximum Redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, redeem the Products by way of delivery of a number of the Underlying expressed by the Conversion Ratio, with fractions of the Underlying not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the Underlying, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the Underlying. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level [converted into the Settlement Currency [on the basis of [●]]], which considering the Conversion Ratio is either related to the fraction of the Underlying (in the case of the Cash Payment Amount for Fractions) or to the number of the Underlying (in the case of the Compensation Amount). If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the Underlyings to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.

**(2) Maximum Redemption**

Provided that the Final Fixing Level is above the Cap Level, the Redemption Amount equals the Cap Level multiplied by the Conversion Ratio [whereby the result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable: converted to the Settlement Currency in accordance with paragraph (3) and]* commercially rounded to two (2) decimal places.

*[insert if Currency Conversion is applicable:*

**(3) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.*]*[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]*

*[insert if neither COSI nor TCM is applicable:*

**(1) Physical Delivery**

The Issuer will, subject to a Maximum Redemption pursuant to paragraph (2), redeem the Products by way of delivery of a number of the Underlying expressed by the Conversion Ratio, with fractions of the Underlying not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the Underlying, for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the Underlying. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level [converted into the Settlement Currency [on the basis of [●]]], which considering the Conversion Ratio is either related to the fraction of the Underlying (in the case of the Cash Payment Amount for Fractions) or to the number of the Underlying (in the case of the Compensation Amount). If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the Underlyings to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be

commercially rounded to two (2) decimal places.

**(2) Maximum Redemption**

Provided that the Final Fixing Level is above the Cap Level, the Redemption Amount equals the Cap Level multiplied by the Conversion Ratio [whereby the result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

**(3) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

**§ 5**

**Interest, Coupon Payments**

The Products bear no interest.

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments, Physical Delivery**

***(1) Payments***

The Issuer shall cause the delivery of the Underlying or the claimed Redemption Amount, if any, or any other amount to be paid pursuant to § 4 of the Issue Specific Conditions to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the

Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

***(2) Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

***(3) Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

[insert in the case COSI is applicable:

**§ 10**

**Collateral Secured Instruments (COSI)**

***(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX

at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

**(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [term-sheet@leonteq.com](mailto:term-sheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

**(3) Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

**(4) Distribution and market making**

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.



If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

**(5) *Risks***

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

**(6) *Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v)

the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifi-

cally the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

*(10) Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) Secondary Listing**

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS

participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this § 10 "Collateral Secured Instru- ments (COSI)"	Corresponding definition in these Conditions
investor	Holder
issuer	Issuer
issuing condi- tions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10**

**Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day.

The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neu-

tral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim

against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors'



claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:*

**§ 10  
(intentionally left blank)]**

[in the case of Express Certificates with Cash Settlement and without par value (Product No. 12), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss SIX SIS Bearer Securities:*

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"Clearing System" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer or an early redemption [insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated] [insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions].

**§ 2****Status of the Products**

[insert in the case neither COSI nor TCM is applicable:

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case either COSI or TCM is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3****Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][insert other currency: ●] [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the [Reference Currency][Settlement Currency][insert other currency: ●] which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [and/or] [the respective Autocall Observation Date allocated to the relevant Early Redemption Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the [weighted average] exchange rate [executed in duly discretion from [●] to the Initial Fixing Date] as specified in **Table 2** in the Annex expressed



in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.][*insert in the case of a share as Underlying or Basket Component: "Share Issuer"*] means the company that has issued the [Underlying][Basket Component].]

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [the lowest Reference Price of the [Underlying][respective Basket Component] during the Initial Fixing Observation Dates, as determined by the Calculation Agent] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.] [the weighted average [Price][Reference Price] of the [Underlying][Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.]

**"Initial Fixing Observation Dates"** means the initial fixing observation dates as specified in **Table 1** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Final Basket Value"** means the sum of the Final Levels of all Basket Components.]

**"Final Level of a Basket Component"** means the Final Fixing Level of the Basket Component multiplied by the [Number of Basket Component][Initial Weighting<sub>(i)</sub>]. Accordingly, the Final Level of a Basket Component will be calculated as follows:

$$\text{Final Level of a Basket Component} = Ff_{(i)} * W_{(i)}$$

whereby

"Ff<sub>(i)</sub>" means the Final Fixing Level of the Basket Component<sub>(i)</sub> and

"W<sub>(i)</sub>" means the [Number of Basket Component][Initial Weighting<sub>(i)</sub>].]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the

respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Denomination][Initial Basket Value] \* Initial Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

["**Business Day**" means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]*

*[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]*

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**" means the strike level as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex. [The Conver-

sion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.] [*insert for Quanto products:* [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]

["**Autocall Observation Date**" means [each of the autocall observation dates as specified in **Table 3** in the Annex or, if such date is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in relation to the relevant Basket Component]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Autocall Observation Date [in respect of one or more Basket Components], the relevant Autocall Observation Date [in relation to the relevant Basket Component] shall be postponed accordingly.]]

["**Autocall Event**" has occurred if on an Autocall Observation Date the Reference Price [of all Basket Components] [of [the][a][at least one] Basket Component [with the [Best][Worst] Performance] [(regardless of the Target One Underlying)] is [equal to or]] exceeds the [respective] Autocall Trigger Level relevant for such date.]

["**Early Redemption Coupon Amount**" means the Early Redemption Coupon Amount allocated to the respective Autocall Observation Date in **Table 3** in the Annex.]

["**Autocall Trigger Level**" means the Autocall Trigger Level in respect of the relevant Autocall Observation Date [with respect to the relevant Basket Component] as specified in **Table 3** in the Annex.]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level [of [the][a][at least [one][two or more] Basket Component[s] [(regardless of the Target One Underlying)] [with the [Best][Worst] Performance] is [equal to or] below the [Barrier Level][Strike Level][Target One Level]] [the [Price][Reference Price] [and none of the Final Fixing Levels of the Basket Components is above the respective Target Level] [of [the][a][at least [one][two or more]] Basket Component[s] [(regardless of the Target One Underlying)] is [equal to or] below the [Barrier Level] [Strike Level] [Target One Level] at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate:* [the Final Basket Value equals or falls below the [Barrier Level] [Strike Level] [Target One Level] as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the [Barrier Level] [Strike Level] [Target One Level] during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of [a][at least [one][two or more]] Basket Component[s] is [equal to or] below the [Barrier Level] [Strike Level] [Target One Level] for this Basket Component as specified in **Table [1][2]** in the Annex [(regardless

of the Target One Underlying) [at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]]]

["**Barrier Level**" means the barrier level as specified in **Table [1][2]** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] [and/or] ["**Share**"] [and/or] ["**Participation Certificate (Genussschein)**"] [and/or] ["**Security representing Shares**"] [and/or] ["**Commodity**"] [and/or] ["**Currency Exchange Rate**"] [and/or] ["**Futures Contract**"] [and/or] ["**Fixed Rate Instrument**"] [and/or] ["**Derivative Instrument**"] [and/or] ["**Fund Unit**"] [and/or] ["**Interest Rate**"] [and/or] ["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component:*, as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Best Performance**" means the best performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding [Initial Fixing Level] [Strike Level].]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Basket Performance**" means the quotient of the sum of the Relevant Performances and the Initial Basket Value.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component:* "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Amount**" means the coupon amount as specified in **Table [1][3]** in the Annex.]

["**Coupon Day Count Fraction**" means the actual number of days in the Coupon Period divided by 360 (Actual/360).]

["**Coupon Determination Date**" means [two Business Days prior to the Issue Date and each Coupon

Payment Date, respectively] [●].]

["**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Period**" means the period commencing on (and including) the Issue Date to (but excluding) the first Coupon Payment Date and (where there is more than one Coupon Period) each period commencing on (and including) a Coupon Payment Date to (but excluding) the next following Coupon Payment Date and, if any Coupon Amount is required to be calculated for a period ending other than on (but excluding) a relevant Coupon Payment Date, the period commencing on and including the most recent Coupon Payment Date (or if none the Issue Date) to but excluding the relevant payment date.] [●].]

["**Coupon Rate**" [equals the sum of [*insert relevant rate: ●*]]% and the Reference Rate as determined by the Calculation Agent on the relevant Coupon Determination Date that is multiplied by a factor of [●]. [The Coupon Rate is at least zero (0).]] [equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]] [means the coupon rate as specified in **Table [1][3]** in the Annex.] [means [*insert relevant rate: ●*] multiplied by the Factor, whereby "**Factor**" means the number of Basket Components included in the Basket for which the respective [Price][closing price of the Basket Component] [●] is equal to or above the respective Coupon Trigger Level on the respective Coupon Observation Date allocated to the relevant Coupon Payment Date.] [is the sum of the Partial Coupon Rates 1 to [*insert number of Partial Coupon Rates: ●*]]. The respective Partial Coupon Rate is determined as follows:

The "**Partial Coupon Rate 1**" is the Partial Coupon Rate 1 as specified in **Table [1] [3]** in the Annex, if on a Coupon Observation Date the Reference Price [of all Basket Components] [is equal to or] exceeds the [respective] Trigger Level for Partial Coupon Rate 1 relevant for such date. Otherwise, the Partial Coupon Rate 1 for such date is zero (0) %. The "**Trigger Level for Partial Coupon Rate 1**" is the relevant Trigger Level for Partial Coupon Rate 1 as specified in **Table [1] [3]** in the Annex.

[The "**Partial Coupon Rate 2**" is the Partial Coupon Rate 2 as specified in Table [1] [3] in the Annex, if on a Coupon Observation Date the Reference Price [of all Basket Components] [is equal to or] exceeds the [respective] Trigger Level for Partial Coupon Rate 2 relevant for such date. Otherwise, the Partial Coupon Rate 2 for such date is zero (0) %. The "**Trigger Level for Partial Coupon Rate 2**" is the relevant Trigger Level for Partial Coupon Rate 2 as specified in Table [1] [3] in the Annex.] *[insert corresponding information for additional partial coupon rates: •]*

["**Coupon Trigger Event**" has occurred if on a Coupon Observation Date the Reference Price [of all Basket Components][of [•] Basket Components] [(regardless of the Target One Underlying)] exceeds the [respective] Coupon Trigger Level relevant for such date.]

["**Coupon Trigger Level**" means the coupon trigger level as specified in **Table [1][3]** in the Annex [with respect to the relevant Basket Component].]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table [1][3]** in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component).]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]*

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]***

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Lock-In Coupon Amount**" is the Lock-In Coupon Amount as specified in **Table 1** in the Annex.]

["**Lock-In Event**" occurs if on any Lock-In Observation Date the [Reference Price of the Underlying on such date] [Reference Prices of all Basket Components on such date] is at or above the Lock-In Level.]

["**Lock-In Level**" is the Lock-In Level as specified in **Table [1][3]** in the Annex.]

["**Lock-In Observation Date**" means each of the Lock-In Observation Dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [[of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).] [[of the relevant Basket Component] means the Reference Price of such Basket Component on the relevant Autocall Observation Date multiplied by the Number of Basket Component<sub>(i)</sub>.]]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Minimum Redemption Factor**" means the minimum redemption factor specified in **Table 2** in the Annex.]

["**Minimum Early Redemption Amount**" means the minimum early redemption amount specified in **Table 1** in the Annex.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Amount**" means the reference amount as specified in **Table 1** in the Annex.]

["**Reference Price**" means [the [closing level] [and/or] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency*: ●]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg][the Screen Page] [●] [*insert Internet site*: ●] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Reference Rate**" [means the reference rate specified in **Table 1** in the Annex] [●]. The Reference Rate is published on [●]. [If the Reference Rate is not available on the relevant screen page, the Calculation Agent will request at least three Reference Banks (as defined below) to provide a quotation for the Reference Rate. If two or more of the Reference Banks provide the Calculation Agent with such quotation, the Reference Rate shall be the arithmetic mean of such quotations as determined by the Calculation Agent. If fewer than two such quotations are provided as requested above, then the Reference Rate shall be determined by the Calculation Agent in its reasonable discretion. "**Reference Banks**" are major banks in the interbank market.] [●]]

["**Redemption Date**" means, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding [Initial Fixing Level] [Strike Level].]

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

["**Target One Event**" has occurred if on the Final Fixing Date the [closing price] [●] of the Target One Underlying] is [equal to or]] exceeds the [respective] Target One Level.]

["**Target One Level**" means the target one level [with respect to the relevant Basket Component] as specified in **Table 2** in the Annex.]



["**Target One Underlying**" means the Basket Component specified as such in **Table 2** in the Annex.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Early Redemption Date**" means each of the early redemption dates as specified in **Table 3** in the Annex or, if an Early Redemption Date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Autocall Observation Date, the relevant Early Redemption Date shall be postponed accordingly.]]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][insert other currency: ●] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][insert other currency: ●] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the [weighted average] exchange rate [executed in duly discretion from [●] to the Initial Fixing Date] as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][insert other currency: ●] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][insert other currency: ●] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### *(1) Redemption Amount*

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the following amount: (a) If a Lock-In Event has occurred, the Redemption Amount equals the Issue Price plus the Lock-In Coupon Amount. (b) If neither a Lock-In Event nor a Barrier Event has occurred, the Redemption Amount equals the Issue Price. (c) If a Lock-In Event has not occurred, but a Barrier Event has occurred, the Redemption

Amount equals the Issue Price multiplied by the [Performance of the Underlying] [quotient of the Final Fixing Level of the Basket Component with the Worst Performance and its [Initial Fixing Level][Strike Level]].] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the following amount: (a) If a Barrier Event has occurred, the Redemption Amount equals the [Issue Price] [Reference Amount] multiplied by the [Performance of the Underlying] [quotient of the Final Fixing Level of the Basket Component with the Worst Performance and its [Initial Fixing Level][Strike Level]]. (b) If no Barrier Event has occurred the Redemption Amount is determined as follows: (i) If the Final Fixing Level [of the Basket Component with the Worst Performance] is equal to or below [the][its] Initial Fixing Level, the Redemption Amount equals the [Issue Price][Reference Amount] multiplied by the difference between 200 % and the [Performance of the Underlying] [quotient of the Final Fixing Level of the Basket Component with the Worst Performance and its [Initial Fixing Level][Strike Level]]. (ii) If the Final Fixing Level [of the Basket Component with the Worst Performance] is above [the][its] Initial Fixing Level, the Redemption Amount equals the [Issue Price] [Reference Amount] multiplied by the [Performance of the Underlying] [quotient of the Final Fixing Level of the Basket Component with the Worst Performance and its [Initial Fixing Level][Strike Level]]. [The result is multiplied by the Exchange Rate Performance.] [The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the [Initial Fixing Level][Strike Level] (divisor).] The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.] [and a Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the [Issue Price] [Reference Amount] multiplied by the [Performance of the Underlying] [quotient of the Final Fixing Level of the Basket Component with the Worst Performance and its [Initial Fixing Level][Strike Level]] [above the Strike Level][Minimum Redemption Factor] [and a Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the following amount: (a) If neither a Target One Event nor a Barrier Event has occurred the Redemption Amount equals the [Issue Price] [Reference Amount]. (b) If a Target One Event has not occurred, but a Barrier Event has occurred the Redemption Amount equals the [Issue Price] [Reference Amount] multiplied by the [Performance of the Underlying] [quotient of the Final Fixing Level of the Basket Component with the [Worst][Best] Performance and its [Initial Fixing Level][Strike Level]]. [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the Issue Price multiplied by the [Performance of the Underlying] [quotient of the Final Fixing Level of the Basket Component with the Worst Performance and its [Initial Fixing Level][Strike Level]], whereby the result will equal at least the Issue Price multiplied by the Minimum Redemption Factor.][The result is multiplied by the Exchange Rate Performance.]

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the [Initial Fixing Level] [Strike Level] (divisor).]

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded

to two (2) decimal places.

**(2) Minimum Redemption**

Provided that [(i) no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level [of the Basket Component with the Worst Performance] is above [the][its] [Initial Fixing Level][Strike Level]] the Redemption Amount equals the [Issue Price] [Reference Amount] [multiplied by the quotient of the Final Fixing Level of the Basket Component with the Worst Performance and its [Initial Fixing Level][Strike Level]]] [a Target One Event has occurred the Redemption Amount equals the [Issue Price] [Reference Amount]] [multiplied by the Exchange Rate Performance].

[The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.]

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the [Issue Price] [Reference Amount] [multiplied by the quotient of the Final Fixing Level of the Basket Component with the Worst Performance and its [Initial Fixing Level][Strike Level]] [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.]]

[*insert if Currency Conversion is applicable*:

**[(2)][(4)] Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]] [*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

*[insert if neither COSI nor TCM is applicable:]*

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions [the following amount: (a) If a Lock-In Event has occurred, the Redemption Amount equals the Issue Price plus the Lock-In Coupon Amount. (b) If neither a Lock-In Event nor a Barrier Event has occurred, the Redemption Amount equals the Issue Price. (c) If a Lock-In Event has not occurred, but a Barrier Event has occurred, the Redemption Amount equals the Issue Price multiplied by the [Performance of the Underlying] [quotient of the Final Fixing Level of the Basket Component with the Worst Performance and its [Initial Fixing Level][Strike Level]].] [the following amount: (a) If a Barrier Event has occurred, the Redemption Amount equals the [Issue Price] [Reference Amount] multiplied by the [Performance of the Underlying] [quotient of the Final Fixing Level of the Basket Component with the Worst Performance and its [Initial Fixing Level][Strike Level]]. (b) If no Barrier Event has occurred the Redemption Amount is determined as follows: (i) If the Final Fixing Level [of the Basket Component with the Worst Performance] is equal to or below [the][its] Initial Fixing Level, the Redemption Amount equals the [Issue Price] [Reference Amount] multiplied by the difference between 200 % and the [Performance of the Underlying] [quotient of the Final Fixing Level of the Basket Component with the Worst Performance and its [Initial Fixing Level][Strike Level]]. (ii) If the Final Fixing Level [of the Basket Component with the Worst Performance] is above [the][its] Initial Fixing Level, the Redemption Amount equals the [Issue Price] [Reference Amount] multiplied by the [Performance of the Underlying] [quotient of the Final Fixing Level of the Basket Component with the Worst Performance and its [Initial Fixing Level][Strike Level]]. [The result is multiplied by the Exchange Rate Performance.] [The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the [Initial Fixing Level][Strike Level] (divisor).] The Redemption Amount will be *[insert if Currency Conversion is applicable:]* converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.] [and a Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3), the [Issue Price] [Reference Amount] multiplied by the [Performance of the Underlying] [quotient of the Final Fixing Level of the Basket Component with the Worst Performance and its [Initial Fixing Level][Strike Level]] [above the Strike Level] [Minimum Redemption Factor] [and a Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3) the following amount: (a) If a Target One Event has not occurred and no Barrier Event has occurred the Redemption Amount equals the [Issue Price] [Reference Amount]. (b) If a Target One Event has not occurred, but a Barrier Event has occurred the Redemption Amount equals the [Issue Price] [Reference Amount] multiplied by the [Performance of the Underlying] [quotient of the Final Fixing Level of the Basket Component with the [Worst][Best] Performance and its [Initial Fixing Level][Strike Level]]. [or the Issue Price multiplied by the [Performance of the Underlying][quotient of the Final Fixing Level of the Basket Component with the Worst Performance and its [Initial Fixing Level][Strike Level]], whereby the result will equal at least the Issue Price multiplied by the Minimum Redemption Factor.]] [The result is multiplied by the Exchange Rate Performance.]

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the [Initial Fixing Level][Strike Level] (divisor).]

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.

**(2) Minimum Redemption**

Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level [of the Basket Component with the Worst Performance] is above [the][its] [Initial Fixing Level] [Strike Level]] the Redemption Amount equals the [Issue Price] [Reference Amount] [multiplied by the quotient of the Final Fixing Level of the Basket Component with the Worst Performance and its [Initial Fixing Level][Strike Level]]] [a Target One Event has occurred the Redemption Amount equals the [Issue Price] [Reference Amount]] [multiplied by the Exchange Rate Performance].

[The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.]

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the [Issue Price] [Reference Amount] [multiplied by the quotient of the Final Fixing Level of the Basket Component with the Worst Performance and its [Initial Fixing Level][Strike Level]] [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.]]

[*insert if Currency Conversion is applicable*:

**[(2)][(4)] Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]]*insert*

*if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

## § 5

### Interest, Coupon Payments

#### [[*(1) Coupon Payments*]

[[If a Coupon Trigger Event has occurred on a Coupon Observation Date [and the Reference Price is above the Initial Fixing Level], a coupon payment is made in the Settlement Currency for the products on the applicable Coupon Payment Date [in the amount of the Coupon Amount specified for the applicable Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]] [which is equal to the product of (i) the [Issue Price] [Reference Amount] and (ii) the difference between (x) the quotient of the Reference Price on the respective Coupon Observation Date (dividend) and the Initial Fixing Level (divisor) and (y) 1, whereby the [result is multiplied by the Current Exchange Rate Performance and the] coupon payment is at least zero]. [If a Coupon Trigger Event has not occurred on a Coupon Observation Date, a coupon payment is not made for the Products on the applicable Coupon Payment Date.]] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the [Issue Price] [Reference Amount] [whereby the result is multiplied by the Current Exchange Rate Performance].] [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] [If a Coupon Trigger Event has not occurred [and no Barrier Event has occurred] [and the Final Fixing Level of the Underlying is above the Initial Fixing Level], the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance.]] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance].] [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] In the case of a redemption at the end of the term, the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance.]] [Provided that on the relevant Coupon Observation Date a Coupon Trigger Event has occurred, a Coupon payment shall be made for the Products on the relevant Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. The coupon rate (the "**Coupon Rate**") relevant for the respective Coupon Observation Date is the Coupon Rate for the relevant Coupon Payment Date specified in **Table 3** in the Annex.] [If a Coupon Trigger Event has not occurred on a Coupon Observation Date, a coupon payment is not made for the Products on the applicable Coupon Payment Date.]] [The Holder receives a Coupon Amount on each Coupon Payment Date. The Coupon Amount (the "**Coupon Amount**") is determined by multiplying [Issue Price][Denomination] [Reference Amount] by the Coupon Rate [and further multiplied by the Coupon Day Count Fraction] [whereby the result is [also] multiplied by the Current Exchange Rate Performance.]] The Coupon Amount will be commercially rounded to two (2) decimal places. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon pay-

ments are made.]

**[(2) *Coupon Amount***

The Coupon Amount (the "**Coupon Amount**") is determined by multiplying the [Issue Price] [Reference Amount] by (i) the applicable Coupon Rate for the relevant Coupon Payment Date [and by (ii) N [whereby the result is multiplied by the Current Exchange Rate Performance].

"N" means in the case that

(a) before the applicable Coupon Observation Date<sub>(t)</sub> no Coupon Trigger Event has occurred, the number of Coupon Observation Dates<sub>(t)</sub> from Coupon Observation Date<sub>(t)</sub> (inclusive) to, in each case, the applicable Coupon Observation Date<sub>(t)</sub> (inclusive), and in the case that

(b) before the applicable Coupon Observation Date<sub>(t)</sub> a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates<sub>(t)</sub> between the Coupon Observation Date<sub>(t)</sub> (exclusive) on which the last Coupon Trigger Event has occurred and the applicable Coupon Observation Date<sub>(t)</sub> (inclusive) in each case].

[Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made. The Coupon Amount will be commercially rounded to two (2) decimal places.]]

**§ 6**

**(intentionally left blank)**

**§ 7**

**Early Redemption**

***(1) Conditions precedent for Early Redemption***

In the event that on any Autocall Observation Date an Autocall Event has occurred, the term of the Products shall end automatically on this Autocall Observation Date without the need for a separate termination of the Products by the Issuer (the "**Early Redemption**"). In this case the Redemption Amount to be paid by the Issuer equals the [Issue Price] [Reference Amount] [multiplied by the Basket Performance, whereby the Redemption Amount will not be lower than the Minimum Early Redemption Amount] [and] [multiplied by the Current Exchange Rate Performance] [plus the Early Redemption Coupon Amount allocated to the Autocall Observation Date on which the Autocall Event has occurred [multiplied by the Current Exchange Rate Performance]].

***(2) Notification of Early Redemption***

Notice of the occurrence of Early Redemption and the value of the Redemption Amount to be paid per Product in this case shall be published in accordance with § 4 of the General Conditions.

**§ 8**  
**Payments**

***(1) Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Early Redemption Date (in the case of an Early Redemption pursuant to § 7 of the Issue Specific Conditions) and/or the Redemption Date (in the case that no Early Redemption has occurred). The Issuer shall transfer the respective Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Early Redemption Date[,] [or] the Redemption Date or a Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment. [With respect to the coupon payment(s) the Holder is entitled to further coupon payments for each additional day the scheduled Coupon Payment Date is postponed.]

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated]**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an



amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

***(2) Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

***(3) Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

[insert in the case COSI is applicable:]

**§ 10**

**Collateral Secured Instruments (COSI)**

***(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two

Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

**(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [term-sheet@leonteq.com](mailto:term-sheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

**(3) Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

**(4) Distribution and market making**

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

**(5) *Risks***

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

**(6) *Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v)

the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifi-

cally the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

*(10) Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) Secondary Listing**

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS

participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this § 10 "Collateral Secured Instru- ments (COSI)"	Corresponding definition in these Conditions
investor	Holder
issuer	Issuer
issuing condi- tions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10**

**Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day.

The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neu-



tral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim

against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors'

claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10**  
**(intentionally left blank)]**

[in the case of Express Certificates and/or Express Notes with Cash Settlement and with par value (Product No. 13), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size; Denomination

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a ["**Certificate**"] ["**Note**"] or a "**Product**" and together the ["**Certificates**"] ["**Notes**"] or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

**"Custody Agent"** is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:]*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:]*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:]*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*



**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer or an early redemption [insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated] [insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions].

**§ 2****Status of the Products**

[insert in the case neither COSI nor TCM is applicable:

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case either COSI or TCM is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3****Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][insert other currency: ●] [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the [Reference Currency][Settlement Currency][insert other currency: ●] which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [and/or] [the respective Autocall Observation Date allocated to the relevant Early Redemption Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the [weighted average] exchange rate [executed in duly discretion from [●] to the Initial Fixing Date] as specified in **Table 2** in the Annex ex-

pressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

[*insert in the case of a share as Underlying or Basket Component: "Share Issuer"*] means the company that has issued the [Underlying][Basket Component].]

["**Initial Fixing Level**"] means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [the lowest Reference Price of the [Underlying][respective Basket Component] during the Initial Fixing Observation Dates, as determined by the Calculation Agent] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.] [the weighted average [Price][Reference Price] of the [Underlying][Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.]

["**Initial Fixing Observation Dates**"] means the initial fixing observation dates as specified in **Table 1** in the Annex.]

["**Initial Fixing Period**"] means the initial fixing period as specified in **Table 1** in the Annex.]

["**Initial Basket Value**"] means the initial basket value as specified in **Table 1** in the Annex.]

["**Number of Basket Component<sub>(i)</sub>**"] [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Denomination][Initial Basket Value] \* Initial Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective

Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex].]

["**Business Day**" means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]*

*[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]*

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**" means the strike level as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].]][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] *[insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend*

payment by the Issuer.]]

["**Autocall Observation Date**" means [each of the autocall observation dates as specified in **Table 3** in the Annex or, if such date is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in relation to the relevant Basket Component]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Autocall Observation Date [in respect of one or more Basket Components], the relevant Autocall Observation Date [in relation to the relevant Basket Component] shall be postponed accordingly.]]

["**Autocall Event**" has occurred if on an Autocall Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Autocall Trigger Level relevant for such date.]

["**Early Redemption Coupon Amount**" means the Early Redemption Coupon Amount allocated to the respective Autocall Observation Date in **Table 3** in the Annex.]

["**Autocall Trigger Level**" means the Autocall Trigger Level in respect of the relevant Autocall Observation Date [with respect to the relevant Basket Component] as specified in **Table 3** in the Annex.]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate:* [the Final Basket Value is equal to or below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of [a][at least one] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex [at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]]]

["**Barrier Event**" has occurred if [the Final Fixing Level [of [the][a][at least [one][two or more] Basket Component[s] [(regardless of the Target One Underlying)) [with the [Best][Worst] Performance] is [equal to or] below the [Barrier Level][Strike Level][Target One Level]] [the [Price][Reference Price] [and none of the Final Fixing Levels of the Basket Components is above the respective Target Level] [of [the][a][at least [one][two or more]] Basket Component[s] [(regardless of the Target One Underlying)) is [equal to or] below the [Barrier Level] [Strike Level] [Target One Level] at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate:* [the Final Basket Value equals or falls below the [Barrier Level] [Strike Level] [Target One Level] as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the [Barrier Level] [Strike Level] [Target One Level] during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of [a][at least [one][two or more]] Basket Component[s] is [equal to or] below the [Barrier Level] [Strike Level] [Target One Level] for this Basket Component as specified in **Table [1][2]** in the Annex [(regardless of the Target One Underlying)) [at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]]]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"] ["**Interest Rate**"] ["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component*., as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Best Performance**" means the best performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding [Initial Fixing][Strike] Level.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Amount**" means the coupon amount as specified in **Table [1][3]** in the Annex.]

["**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Rate**" equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Perform-**

**mance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

["**Coupon Trigger Event**" has occurred if on a Coupon Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Coupon Trigger Level relevant for such date.]

["**Coupon Trigger Level**" means the coupon trigger level as specified in **Table 1**[3] in the Annex [with respect to the relevant Basket Component].]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1**[3] in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.][the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.]]

["**Final Basket Value**" means the sum of the Final Levels of all Basket Components.]

["**Final Level of a Basket Component**" means the Final Fixing Level of the Basket Component multiplied by the [Number of Basket Component][Initial Weighting<sub>(i)</sub>]. Accordingly, the Final Level of a Basket Component will be calculated as follows:

$$\text{Final Level of a Basket Component} = Ff_{(i)} * W_{(i)}$$

whereby

"Ff<sub>(i)</sub>" means the Final Fixing Level of the Basket Component<sub>(i)</sub> and

"W<sub>(i)</sub>" means the [Number of Basket Component][Initial Weighting<sub>(i)</sub>].]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period:* In the event of the postpone-

ment of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[insert in the case of an index as Underlying or Basket Component: "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [insert Internet site: ●] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [insert other method for determining Relevant Exchange Rate: ●]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Minimum Redemption Factor**" means the minimum redemption factor specified in **Table [2][1]** in the Annex.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Participation Factor**" means the participation factor as specified in **Table 1** in the Annex.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [insert currency: ●]] [as determined [and published] on



the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg][the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**"] means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**"] means, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**"] means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding [Initial Fixing Level][Strike Level].]

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

["**Final Fixing Date**"] means the final fixing date as specified in **Table 1** in the Annex or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**"] has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Early Redemption Date**"] means each of the early redemption dates as specified in **Table 3** in the Annex or, if an Early Redemption Date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Autocall Observation Date, the relevant Early Redemption Date shall be postponed accordingly.]]

["**Website**"] means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**"] means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**"] means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement

Currency][*insert other currency: •*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate**<sub>(Initial)</sub>" means the [weighted average] exchange rate [executed in duly discretion from [•] to the Initial Fixing Date] as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: •*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: •*] which is published on the [Initial Fixing Date] [•] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

["**Target One Level**" means the target one level [with respect to the relevant Basket Component] as specified in **Table 2** in the Annex.]

#### § 4

#### Redemption

[*insert if either COSI or TCM is applicable:*

##### **(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions [and a Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the [Denomination][Issue Price] multiplied by the [Performance of the Underlying][Worst Performance] [Minimum Redemption Factor]. [The result is multiplied by the Exchange Rate Performance.]

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the [Initial Fixing Level][Strike Level] (divisor).]

[and subject to a Minimum Redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the [Denomination][Issue Price] multiplied by the sum of (A) 100 % and (B) the Participation Factor multiplied by the difference between the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] divided by the Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance] and 1.] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the [Denomination][Issue Price] multiplied by the Minimum Redemption Factor.] [The result is multiplied by the Exchange Rate Performance.]

The Redemption Amount will be [*insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph [(2)][(3)][(4)], as the case may be, and] commercially rounded to two (2) decimal places.

***[(2) Minimum Redemption***

[Provided that no Barrier Event has occurred the Redemption Amount equals the [Denomination][Issue Price].][Provided that the Final Fixing Level is above the Strike Level, the Redemption Amount equals the [Denomination][Issue Price] [multiplied by the Exchange Rate Performance].] [The Redemption Amount is at least zero.]]

[The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.]

***[(3) Maximum Redemption***

The Redemption Amount per Product equals no more than the [Denomination][Issue Price] [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.]]

[*insert if Currency Conversion is applicable*:

***[(2)][(3)][(4)] Currency exchange***

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

[*insert if neither COSI nor TCM is applicable*:

***(1) Redemption Amount***

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions [and a Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3), the [Denomination][Issue Price] multiplied by the [Performance of the Underlying][Worst Per-

formance] [Minimum Redemption Factor]. [The result is multiplied by the Exchange Rate Performance.]

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the [Initial Fixing Level][Strike Level] (divisor).]

[and subject to a Minimum Redemption pursuant to paragraph (2) the [Denomination][Issue Price] multiplied by the sum of (A) 100 % and (B) the Participation Factor multiplied by the difference between the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] divided by the Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance] and 1.] [the [Denomination][Issue Price] multiplied by the Minimum Redemption Factor.] [The result is multiplied by the Exchange Rate Performance.]

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph [(2)][(3)][(4)], as the case may be, and] commercially rounded to two (2) decimal places.

**[(2) Minimum Redemption]**

[Provided that no Barrier Event has occurred the Redemption Amount equals the [Denomination] [Issue Price].][Provided that the Final Fixing Level is above the Strike Level, the Redemption Amount equals the [Denomination] [Issue Price] [multiplied by the Exchange Rate Performance].] [The Redemption Amount is at least zero.]]

[The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.]

**[(3) Maximum Redemption]**

The Redemption Amount per Product equals no more than the [Denomination] [Issue Price] [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.]]

[*insert if Currency Conversion is applicable*:

**[(2)][(3)][(4)] Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is

not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]]*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

## § 5

### Interest, Coupon Payments

#### *[(1) Coupon Payments]*

[[If a Coupon Trigger Event has occurred on a Coupon Observation Date, a coupon payment is made in the Settlement Currency for the products on the applicable Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. [If a Coupon Trigger Event has not occurred on a Coupon Observation Date, a coupon payment is not made for the Products on the applicable Coupon Payment Date.]] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the Issue Price [whereby the result is multiplied by the Current Exchange Rate Performance].] [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] [If a Coupon Trigger Event has not occurred and [no Barrier Event has occurred][the Final Fixing Level is above [the Strike Level][●% of the Initial Fixing Level]], the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance].][The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] In the case of a redemption at the end of the term, the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance].][Provided that on the relevant Coupon Observation Date a Coupon Trigger Event has occurred, a Coupon payment shall be made for the Products on the relevant Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. The coupon rate (the "**Coupon Rate**") relevant for the respective Coupon Observation Date is the Coupon Rate for the relevant Coupon Payment Date specified in **Table 3** in the Annex. [If a Coupon Trigger Event has not occurred on a Coupon Observation Date, a coupon payment is not made for the Products on the applicable Coupon Payment Date.]]

#### *[(2) Coupon Amount]*

The Coupon Amount (the "**Coupon Amount**") is determined by multiplying the Denomination by (i) the applicable Coupon Rate for the relevant Coupon Payment Date and by (ii) N [whereby the result is multiplied by the Current Exchange Rate Performance].

"N" means [in the case that

- (a) before the applicable Coupon Observation Date<sub>(t)</sub> no Coupon Trigger Event has occurred, the number of Coupon Observation Dates<sub>(t)</sub> from Coupon Observation Date<sub>(1)</sub> (inclusive) to, in each case, the applicable Coupon Observation Date<sub>(t)</sub> (inclusive), and in the case that
- (b) before the applicable Coupon Observation Date<sub>(t)</sub> a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates<sub>(t)</sub> between the Coupon Observation Date<sub>(t)</sub> (exclusive) on which the last Coupon Trigger Event has occurred and the applicable Coupon Observation Date<sub>(t)</sub> (inclusive) in each case.] [the number of Coupon Observation Dates<sub>(t)</sub> from Coupon Observation Date<sub>(1)</sub> (inclusive) to the relevant Coupon Observation Date on which a Coupon Trigger Event has occurred.]

[Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] The Coupon Amount will be commercially rounded to two (2) decimal places.]

**§ 6**

**(intentionally left blank)**

**§ 7**

**Early Redemption**

***(1) Conditions precedent for Early Redemption***

In the event that on any Autocall Observation Date an Autocall Event has occurred, the term of the Products shall end automatically on this Autocall Observation Date without the need for a separate termination of the Products by the Issuer (the "**Early Redemption**"). In this case the Redemption Amount to be paid by the Issuer equals the Denomination [multiplied by the Current Exchange Rate Performance] [plus the Early Redemption Coupon Amount allocated to the Autocall Observation Date on which the Autocall Event has occurred [multiplied by the Current Exchange Rate Performance]].

***(2) Notification of Early Redemption***

Notice of the occurrence of Early Redemption and the value of the Redemption Amount to be paid per Product in this case shall be published in accordance with § 4 of the General Conditions.

**§ 8**

**Payments**

***(1) Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Early Redemption Date (in the case of an Early Redemption pursuant to § 7 of the Issue Specific Conditions) and/or the Redemption Date (in the case that no Early Redemption has occurred). The Issuer shall transfer the respective Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Early Redemption Date, the Redemption Date or a Coupon Pay-

ment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

**(2) Declaration on Regulation S**

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

**(3) Taxes, Fees and Duties**

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

**(1) Termination Right of Issuer**

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) Transfer of the Redemption Amount in case of termination**

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) Taxes, fees or other duties**

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

[insert in the case COSI is applicable:

**§ 10****Collateral Secured Instruments (COSI)****(1) Collateralization of the Product**

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

**(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich,



Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [term-sheet@leonteq.com](mailto:term-sheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at "[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)".

### ***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

### ***(4) Distribution and market making***

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

**(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

**(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

**(10) *Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of

the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) *Liability***

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) *No authorisation***

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this § 10 "Collateral Secured Instruments (COSI)"	Corresponding definition in these Conditions
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10****Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four busi-

ness days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

#### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in



particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

#### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

#### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

#### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

#### **Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against

the Collateral Provider under the terms of the TCM Security Agreement The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:*

**§ 10**  
**(intentionally left blank)]**

[in the case of Tracker Certificates with Cash Settlement (Product No. 14), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the

respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art.

973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]



**(c) Clearing System**

"Clearing System" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*][*insert in the case Exercise by the Holder is applicable: or an exercise by the Holder pursuant to § 6 of the Issue Specific Conditions or an ordinary termination by the Issuer pursuant to § 9 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3**

**Definitions**

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

[*insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]*

["**Initial Fixing Level**" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [offi-

cial closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["**Initial Fixing Period**" means the initial fixing period as specified in **Table 1** in the Annex.]

["**Initial Basket Value**" means the initial basket value as specified in **Table 1** in the Annex.]

["**Number of Basket Component<sub>(i)</sub>**" [means the [initial] relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Denomination][Initial Basket Value] \* Initial Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex]. [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of a Basket Component, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested in the applicable Basket Component, whereby the amount of the Basket Component for this Basket Component is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]

["**Business Day**" means

*[insert in the case of Products with Swiss Francs as Settlement Currency:* [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency:* [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in *[insert principal financial centre for such currency: ●].*]

*[insert in the case of Products with Euro as Settlement Currency:* [(in the case of Products with Euro

as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]*

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: •]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

["**Issue Price**"] means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**"] means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**"] means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Conversion Ratio**"] means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] *[insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]*

["**Underlying**"] means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"] ["**Interest Rate**"] ["**Reference Rate**"]) *[insert in the case of a share as Underlying or Basket Component, as issued by the Share Issuer].]*

["**Underlying Valuation Date**"] means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**"] means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**"] means, subject to an adjustment, each basket component as specified in **Table**

2 in the Annex.]

["**Basket Performance**" means the sum of the Relevant Performances.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange"* means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] *[insert Internet site: ●]*

[or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor)].[the Final Fixing Level multiplied by the Number of Basket Components and the Exchange Factor.]]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]][the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or in the case of an exercise by the Holder pursuant to § 6 or an ordinary termination by the Issuer pursuant to § 9 the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by

division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Exchange Factor**" means 1 if the Reference Currency corresponds to the Settlement Currency. If the Reference Currency does not correspond to the Settlement Currency, Exchange Factor equals the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event (a) of an ordinary termination according to § 9 of the Issue Specific Conditions the Final Fixing Date is the Termination Date and (b) in the event of an exercise according to § 6 of the Issue Specific Conditions the Exercise Date.][In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Management Factor**" means [the conversion of the Management Fee, which depends on the term, and shall be calculated according to the following formula [*insert formula: ●*]. The Management Factor will be commercially rounded to ● decimal places on a daily basis.]

["**Management Fee**" means the [p.a.] management fee as specified in **Table 1** in the Annex.]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Refer-

ence Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### *(1) Redemption Amount*

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the product of (i) the [Final Fixing Level][Basket Performance], (ii) the Conversion Ratio[,] [and] (iii) the Management Factor [and (iv) the Exchange Factor]. [The result is multiplied by the Exchange Rate Performance.]

The Redemption Amount will be [*insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and] commercially rounded to two (2) decimal places.

*[insert if Currency Conversion is applicable:*

##### *(2) Currency exchange, Exchange Factor*

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable:* . The Exchange Factor (the "**Exchange Factor**") equals the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable:* at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").].]

*[insert if neither COSI nor TCM is applicable:*

##### *(1) Redemption Amount*

The "**Redemption Amount**" in the Settlement Currency per Product equals the product of (i) the [Final Fixing Level][Basket Performance], (ii) the Conversion Ratio[,] [and] (iii) the Management Fac-

tor [and (iv) the Exchange Factor]. [The result is multiplied by the Exchange Rate Performance.]

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

**(2) Currency exchange, Exchange Factor**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: . The Exchange Factor (the "**Exchange Factor**") equals the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]

**§ 5**

**Interest, Coupon Payments**

The Products bear no interest.

[*insert in the case Exercise by the Holder is applicable*:

**§ 6**

**Exercise by the Holder**

**(1) Exercise Right**

The Products can be exercised by the Holders according to the following provisions, subject to an ordinary or extraordinary termination of the Products by the Issuer pursuant to § 9 of the Issue Specific Conditions or § 13 of the Issue Specific Conditions, on any Exercise Date specified in **Table 1** in the Annex (each an "**Exercise Date**") [or if such date is not a Business Day, on the following Business Day] (the "**Exercise Right**"). With the exercise of the Products on the relevant Exercise Date all rights arising from the exercised Products shall automatically lapse. In the event of an ordinary or extraordinary termination of the Products the Exercise Right shall end on the date of termination. With the exercise of the Products on the relevant Exercise Date all rights arising from the exercised Products shall automatically lapse.



**(2) Minimum Exercise Number**

Exercise Rights may only be exercised for at least the minimum exercise number as specified in **Table 1** in the Annex (the "**Minimum Exercise Number**") or a whole-number multiple thereof. Any exercise of a lower number of Products is invalid and without effect. Any exercise of a greater number of Products whose number is not fully divisible by the Minimum Exercise Number is deemed to be an exercise of the next smallest number of Products which is fully divisible by the Minimum Exercise Number.

**(3) Conditions precedent for effective Exercise**

For the effective exercise of the Product rights the Holder must (via the credit institution with which the Holder maintains the relevant securities account):

- (a) submit to the Paying Agent (§ 5 of the General Conditions), at the address or facsimile number as specified in **Table 1** in the Annex, a legally binding, signed exercise notice in writing containing all details required in paragraph 4;
- (b) transfer the Products to the account of the Paying Agent specified in Table 1 in the Annex (the "**Account**") at the Clearing System.

**(4) Exercise Notice**

The exercise notice (the "**Exercise Notice**") must contain:

- (a) the name and the address of the Holder,
- (b) the description and number of Products for which exercised rights are being exercised, taking into account the Minimum Exercise Number,
- (c) the specification of an appropriate account held with a credit institution to which the Redemption Amount is to be credited if applicable; and
- (d) a declaration that neither the Holder nor the beneficial owner of the Products is a US person. The terms used in this paragraph have the meanings attached to them in Regulation S under the United States Securities Act of 1933, as amended from time to time.

The Exercise Notice is binding and irrevocable. The Exercise Notice shall be submitted to the Paying Agent (via the credit institution with which the Holder maintains the relevant securities account) on the Exercise Date by no later than noon (local time in Zurich).

If the number of Products specified in the Exercise Notice deviates from the number of Products transferred up to the Exercise Date, the smaller number taking into account the Minimum Exercise Number shall be deemed exercised. Any excess Products shall be transferred back to the Holder at the Holder's cost and risk.]

*[insert in the case Exercise by the Holder is not applicable:]*

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments**

***(1) Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

*[insert in the case ordinary termination by the Issuer is applicable:]*

**§ 9**

**Ordinary Termination by the Issuer**

***(1) Ordinary Termination Right of Issuer***

The Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least twelve month before the relevant Termination Date. For the purpose of calculating the Redemption Amount according to § 4 of the Issue Specific Conditions the Termination Date is deemed to be the Final Fixing Date as defined by these Conditions. If such day is not a Scheduled Trading Day, then the next following Scheduled Trading day shall be deemed the Final Fixing Date.

**(2) *Transfer of the Redemption Amount in case of ordinary termination***

The Issuer shall by the Redemption Date, cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of an ordinary termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) *Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of ordinary termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

[insert in the case ordinary termination by the Issuer is not applicable:

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

**(1) *Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) *Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) *Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may

withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:]*

**§ 10**

**Collateral Secured Instruments (COSI)**

***(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

## **(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [term-sheet@leonteq.com](mailto:term-sheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

## **(3) Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

## **(4) Distribution and market making**

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is

obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

**(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

**(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing

conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

*(10) Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, con-



vert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) *Liability***

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this § 10 "Collateral Secured Instru- ments (COSI)"	Corresponding definition in these Conditions
investor	Holder
issuer	Issuer
issuing condi- tions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10****Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of

the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

**Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured

Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the

risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10**  
**(intentionally left blank)]**

[in the case of Open End Tracker Certificates with Cash Settlement (Product No. 15), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*



During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"Clearing System" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued without a limited term. The term ends upon exercise by the Holders or upon ordinary or extraordinary termination by the Issuer [*insert in the case either COSI or TCM is applicable*: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable*:

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable*:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3**

**Definitions**

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

[*insert in the case of a share as Underlying or Basket Component*: "**Share Issuer**" means the company that has issued the [Underlying][Basket Component].]

["**Initial Fixing Level**" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing

Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.] [the weighted average [Price][Reference Price] of the [Underlying][Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.]

["**Initial Fixing Period**" means the initial fixing period as specified in **Table 1** in the Annex.]

["**Initial Basket Value**" means the initial basket value as specified in **Table 1** in the Annex.]

["**Number of Basket Component<sub>(i)</sub>**" [means [initially] [the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor):  $\text{Number of Basket Component}_{(i)} = [\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)} / \text{Initial Fixing Level}_{(i)}$ .] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of a Basket Component, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested in the applicable Basket Component, whereby the amount of the Basket Component for this Basket Component is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]

["**Business Day**" means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]*

*[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks*

and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]*

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: •]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

["**Issue Price**"] means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**"] means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**"] means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Conversion Ratio**"] means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].]][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] *[insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]*

["**Underlying**"] means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]["**Interest Rate**"]["**Reference Rate**"]) *[insert in the case of a share as Underlying or Basket Component:., as issued by the Share Issuer].]*

["**Underlying Valuation Date**"] means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**"] means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**"] means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Basket Performance**"] means the sum of the Relevant Performances.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange"* means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] *[insert Internet site: ●]* [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]



["**Relevant Performance**" [of the relevant Basket Component] means [the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).] [the Final Fixing Level multiplied by the Number of Basket Components and the Exchange Factor.]]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg][the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or in the case of an exercise by the Holder pursuant to § 6 or an ordinary termination by the Issuer pursuant to § 9 the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Exchange Factor**" means 1 if the Reference Currency corresponds to the Settlement Currency. If the Reference Currency does not correspond to the Settlement Currency, Exchange Factor equals the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [(a) in the event of an ordinary termination according to § 9 of the Issue Specific Conditions the Termination Date and (b) in the event of an exercise according to § 6 of the Issue Specific Conditions the fifth (5<sup>th</sup>) Scheduled Trading Day after the Exercise Date.] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Management Factor**" means [the conversion of the Management Fee, which depends on the term, and shall be calculated according to the following formula [*insert formula: ●*]. The Management Factor will be commercially rounded to ● decimal places on a daily basis.]

["**Management Fee**" means the [p.a.] management fee as specified in **Table 1** in the Annex.]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

**§ 4**  
**Redemption**

*[insert if either COSI or TCM is applicable:]*

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the product of (i) [the Final Fixing Level][the Basket Performance], (ii) the Conversion Ratio[, ] [and] (iii) the Management Factor [and (iv) the Exchange Factor]. [The result is multiplied by the Exchange Rate Performance.]

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and]* commercially rounded to two (2) decimal places.

*[insert if Currency Conversion is applicable:]*

**(2) Currency exchange, Exchange Factor**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: .* The Exchange Factor (the "**Exchange Factor**") equals the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion. *][insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]*

*[insert if neither COSI nor TCM is applicable:]*

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals the product of (i) [the Final Fixing Level][the Basket Performance], (ii) the Conversion Ratio[, ] [and] (iii) the Management Factor [and (iv) the Exchange Factor]. [The result is multiplied by the Exchange Rate Performance.]

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and]* commercially rounded to two (2) decimal places.

*[insert if Currency Conversion is applicable:*

**(2) Currency exchange, Exchange Factor**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: .* The Exchange Factor (the "**Exchange Factor**") equals the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion. *][insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]*

**§ 5**

**Interest, Coupon Payments**

The Products bear no interest.

**§ 6**

**Exercise by the Holder**

**(1) Exercise Right**

The Products can be exercised by the Holders according to the following provisions, subject to an ordinary or extraordinary termination of the Products by the Issuer pursuant to § 9 of the Issue Specific Conditions or § 13 of the Issue Specific Conditions, on any Business Day during the exercise period as specified in **Table 1** in the Annex (each the "**Exercise Period**") (the "**Exercise Right**"). In the event of a termination by the Issuer pursuant to § 9 of the Issue Specific Conditions, the Exercise Right may only be exercised until 12.00 am at the latest (local time in Zurich) five Scheduled Trading Days prior to the date of termination. With the exercise of the Products on the relevant Exercise Date all rights arising from the exercised Products shall automatically lapse. In the event of an ordinary or extraordinary termination of the Products before expiry of the Exercise Period, the Exercise Period shall end on the date of termination. With the exercise of the Products on the relevant Exercise Date all rights arising from the exercised Products shall automatically lapse.

**(2) Minimum Exercise Number**

[Exercise Rights may only be exercised for at least the minimum exercise number as specified in **Table 1** in the Annex (the "**Minimum Exercise Number**") or a whole-number multiple thereof. Any exercise of a lower number of Products is invalid and without effect. Any exercise of a greater number

of Products whose number is not fully divisible by the Minimum Exercise Number is deemed to be an exercise of the next smallest number of Products which is fully divisible by the Minimum Exercise Number.

*(3) Conditions precedent for effective Exercise*

For the Product rights to be effectively exercised the Holder must, within the Exercise Period (via the credit institution with which the Holder maintains the relevant securities account):

- (a) submit to the Paying Agent (§ 5 of the General Conditions), at the address or facsimile number as specified in **Table 1** in the Annex, a legally binding, signed exercise notice in writing containing all details required in paragraph 4;
- (b) transfer the Products to the account of the Paying Agent specified in **Table 1** in the Annex (the "**Account**") at the Clearing System.

*(4) Exercise Notice*

The exercise notice (the "**Exercise Notice**") must contain:

- (a) the name and the address of the Holder,
- (b) the description and number of Products for which exercised rights are being exercised, taking into account the Minimum Exercise Number,
- (c) the specification of an appropriate account held with a credit institution to which the Redemption Amount is to be credited if applicable; and
- (d) a declaration that neither the Holder nor the beneficial owner of the Products is a US person. The terms used in this paragraph have the meanings attached to them in Regulation S under the United States Securities Act of 1933, as amended from time to time.

The Exercise Notice is binding and irrevocable. It shall take effect on the first Business Day within the Exercise Period on which all conditions specified in paragraphs 2 and 3 have been met no later than 12:00 am (local time in Zurich) (the "**Exercise Date**").

If the number of Products specified in the Exercise Notice deviates from the number of Products transferred up to the Exercise Date, the smaller number taking into account the Minimum Exercise Number shall be deemed exercised. Any excess Products shall be transferred back to the Holder at the Holder's cost and risk.]

§ 7

(intentionally left blank)

§ 8

**Payments**

*(1) Payments*

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

*(2) Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

*(3) Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

§ 9

**Ordinary Termination by the Issuer**

*(1) Ordinary Termination Right of Issuer*

The Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. For the purpose of calculating the Redemption Amount according to § 4 of the Issue Specific Conditions the Termination Date is deemed to be the Final Fixing Date as defined by these Conditions. If such day is not a Scheduled Trading Day, then the next following Scheduled Trading day shall be deemed the Final Fixing Date.

*(2) Transfer of the Redemption Amount in case of ordinary termination*

The Issuer shall by the Redemption Date, cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the

event of an ordinary termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) *Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of ordinary termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.

*[insert in the case COSI is applicable:]*

**§ 10**

**Collateral Secured Instruments (COSI)**

**(1) *Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

**(2) *Documentation***

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement

to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [term-sheet@leonteq.com](mailto:term-sheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at "[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)".

### ***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

### ***(4) Distribution and market making***

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.



**(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

**(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

**(10) *Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of

the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) *Liability***

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) *No authorisation***

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this § 10 "Collateral Secured Instruments (COSI)"	Corresponding definition in these Conditions
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10****Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four busi-

ness days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

**Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

**Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

**Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

**Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

**Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

**Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

**Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the pro-



ceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10**  
**(intentionally left blank)]**

[in the case of Express Certificates with potential Physical Settlement and with par value (Product No. 16), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) *Currency; Issue Size*

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) *Form*

[insert in the case of Swiss Uncertificated Securities:

##### (a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"Clearing System" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer or an early redemption [insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated] [insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions].

**§ 2****Status of the Products**

[insert in the case neither COSI nor TCM is applicable:

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case either COSI or TCM is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3****Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][insert other currency: ●] [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the [Reference Currency][Settlement Currency][insert other currency: ●] which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [and/or] [the respective Autocall Observation Date allocated to the relevant Early Redemption Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the [weighted average] exchange rate [executed in duly discretion from [●] to the Initial Fixing Date] as specified in **Table 2** in the Annex expressed



in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

[*insert in the case of a share as Underlying or Basket Component: "Share Issuer"*] means the company that has issued the [Underlying][Basket Component].]

["**Initial Fixing Level**"] means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the lowest Reference Price of the respective Basket Component during the Initial Fixing Period] [the lowest Reference Price of the [Underlying][respective Basket Component] during the Initial Fixing Observation Dates, as determined by the Calculation Agent] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.] [the weighted average [Price][Reference Price] of the [Underlying][Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.]

["**Initial Fixing Observation Dates**"] means the initial fixing observation dates as specified in **Table 1** in the Annex.]

["**Initial Fixing Period**"] means the initial fixing period as specified in **Table 1** in the Annex.]

["**Initial Basket Value**"] means the initial basket value as specified in **Table 1** in the Annex.]

["**Number of Basket Component<sub>(i)</sub>**"] [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Denomination][Initial Basket Value] \* Initial Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective

Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex].]

["**Business Day**" means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]*

*[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]*

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**" means the strike level as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level][and converted where necessary into the Settlement Currency using the Exchange Rate<sub>(i)</sub>].]] [the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] *[insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conver-*

sion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]

["**Autocall Observation Date**" means [each of the autocall observation dates as specified in **Table 3** in the Annex or, if such date is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in relation to the relevant Basket Component]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Autocall Observation Date [in respect of one or more Basket Components], the relevant Autocall Observation Date [in relation to the relevant Basket Component] shall be postponed accordingly.]]

["**Autocall Event**" has occurred if on an Autocall Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Autocall Trigger Level relevant for such date.]

["**Autocall Trigger Level**" means the Autocall Trigger Level in respect of the relevant Autocall Observation Date [with respect to the relevant Basket Component] as specified in **Table 3** in the Annex.]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level [of [the][a][at least [one][two or more] Basket Component[s] [(regardless of the Target One Underlying)] [with the [Best][Worst] Performance] is [equal to or] below the [Barrier Level][Strike Level][Target One Level]] [the [Price][Reference Price] [and none of the Final Fixing Levels of the Basket Components is above the respective Target Level] [of [the][a][at least [one][two or more]] Basket Component[s] [(regardless of the Target One Underlying)] is [equal to or] below the [Barrier Level] [Strike Level] [Target One Level] at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate:* [the Final Basket Value equals or falls below the [Barrier Level] [Strike Level] [Target One Level] as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the [Barrier Level] [Strike Level] [Target One Level] during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of [a][at least [one][two or more]] Basket Component[s] is [equal to or] below the [Barrier Level] [Strike Level] [Target One Level] for this Basket Component as specified in **Table [1][2]** in the Annex [(regardless of the Target One Underlying)] [at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]]]

["**Target One Level**" means the target one level [with respect to the relevant Basket Component] as specified in **Table 2** in the Annex.]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]["**Interest Rate**"]["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component*., as issued by the Share Issuer.]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange"* means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Amount**" means the coupon amount as specified in **Table [1][3]** in the Annex.]

["**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Rate**" equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

["**Coupon Trigger Event**" has occurred if on a Coupon Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Coupon Trigger Level relevant for such date.]

["**Coupon Trigger Level**" means the coupon trigger level as specified in **Table [1][3]** in the Annex [with respect to the relevant Basket Component].]

["**Coupon Trigger Level**" means the coupon trigger level as specified in **Table 1**[3] in the Annex.]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1**[3] in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period:* In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component:* "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site:* ●] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate

[of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component]] [all Basket

Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Early Redemption Date**" means each of the early redemption dates as specified in **Table 3** in the Annex or, if an Early Redemption Date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Autocall Observation Date, the relevant Early Redemption Date shall be postponed accordingly.]]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the [weighted average] exchange rate [executed in duly discretion from [●] to the Initial Fixing Date] as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### *(1) Redemption Amount*

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions and subject to a physical delivery of the Underlying pursuant to paragraph (4). the Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3).

##### *(2) Minimum Redemption*

[Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level is above the [Initial Fixing Level][Strike Level]] the Redemption Amount equals the Denomination [multiplied by the Exchange Rate Performance].][Provided that the Final Fixing Level

is above the Strike Level, the Redemption Amount equals the Denomination [multiplied by the Exchange Rate Performance].]

[The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (5), as the case may be, and] commercially rounded to two (2) decimal places.]

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the Denomination [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (5), as the case may be, and] commercially rounded to two (2) decimal places.]

**(4) Settlement by delivery**

If [a Barrier Event has occurred] [(i) a Barrier Event has occurred and (ii) the Final Fixing Level is equal to or below the [Initial Fixing Level][Strike Level]] [the Final Fixing Level is equal to or below the Strike Level], the Issuer will redeem the Products by way of delivery of a number of the [Underlying][Basket Component with the Worst Performance] expressed by the Conversion Ratio, with fractions of the [Underlying][relevant Basket Component] not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the [Underlying][relevant Basket Component], for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the [Underlying][relevant Basket Component]. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level of the [Underlying][relevant Basket Component] [converted into the Settlement Currency [on the basis of [●]]], which considering the Conversion Ratio is either related to the fraction of the [Underlying][relevant Basket Component] (in the case of the Cash Payment Amount for Fractions) or to the number of the [Underlying][relevant Basket Component] (in the case of the Compensation Amount). If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the [Underlyings][relevant Basket Components] to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]

[*insert if Currency Conversion is applicable*:

**(5) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant



day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion. *[[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]]*

*[[insert if neither COSI nor TCM is applicable:*

***(1) Redemption Amount***

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions and subject to a physical delivery of the Underlying pursuant to paragraph (4), the Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3).

***(2) Minimum Redemption***

[Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level is above the [Initial Fixing Level][Strike Level]] the Redemption Amount equals the Denomination [multiplied by the Exchange Rate Performance].][Provided that the Final Fixing Level is above the Strike Level, the Redemption Amount equals the Denomination [multiplied by the Exchange Rate Performance].]

[The Minimum Redemption Amount will be *[[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (5), as the case may be, and]* commercially rounded to two (2) decimal places.]

***(3) Maximum Redemption***

The Redemption Amount per Product equals no more than the Denomination [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be *[[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (5), as the case may be, and]* commercially rounded to two (2) decimal places.]

***(4) Settlement by delivery***

If [a Barrier Event has occurred] [(i) a Barrier Event has occurred and (ii) the Final Fixing Level is equal to or below the [Initial Fixing Level][Strike Level]] [the Final Fixing Level is equal to or below the Strike Level], the Issuer will redeem the Products by way of delivery of a number of the [Underlying][Basket Component with the Worst Performance] expressed by the Conversion Ratio, with fractions of the [Underlying][relevant Basket Component] not being delivered but redeemed by way of

payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the [Underlying][relevant Basket Component], for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the [Underlying][relevant Basket Component]. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level of the [Underlying][relevant Basket Component] [converted into the Settlement Currency [on the basis of [●]]], which considering the Conversion Ratio is either related to the fraction of the [Underlying][relevant Basket Component] (in the case of the Cash Payment Amount for Fractions) or to the number of the [Underlying][relevant Basket Component] (in the case of the Compensation Amount). If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the [Underlyings][relevant Basket Components] to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]

*[insert if Currency Conversion is applicable:*

**(5) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]*

**§ 5**

**Interest, Coupon Payments**

***[(1) Coupon Payments]***

*[[If a Coupon Trigger Event has occurred on a Coupon Observation Date, a coupon payment is made in the Settlement Currency for the products on the applicable Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. [If a Coupon Trigger Event has not occurred on a Coupon Observation Date, a coupon payment is not made for the Products on the applicable Coupon Payment Date.]] [The Holder receives a coupon payment on the respective Coupon Payment Date in*

the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the Issue Price [whereby the result is multiplied by the Current Exchange Rate Performance]. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] [If a Coupon Trigger Event has not occurred and [no Barrier Event has occurred][the Final Fixing Level is above the Strike Level], the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance].][The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] In the case of a redemption at the end of the term, the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance].][Provided that on the relevant Coupon Observation Date a Coupon Trigger Event has occurred, a Coupon payment shall be made for the Products on the relevant Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. The coupon rate (the "**Coupon Rate**") relevant for the respective Coupon Observation Date is the Coupon Rate for the relevant Coupon Payment Date specified in **Table 3** in the Annex. [If a Coupon Trigger Event has not occurred on a Coupon Observation Date, a coupon payment is not made for the Products on the applicable Coupon Payment Date.] [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.]]

**[(2) *Coupon Amount***

The Coupon Amount (the "**Coupon Amount**") is determined by multiplying the Denomination by (i) the applicable Coupon Rate for the relevant Coupon Payment Date and by (ii) N [whereby the result is multiplied by the Current Exchange Rate Performance].

"N" means in the case that

- (a) before the applicable Coupon Observation Date<sub>(t)</sub> no Coupon Trigger Event has occurred, the number of Coupon Observation Dates<sub>(t)</sub> from Coupon Observation Date<sub>(1)</sub> (inclusive) to, in each case, the applicable Coupon Observation Date<sub>(t)</sub> (inclusive), and in the case that
- (b) before the applicable Coupon Observation Date<sub>(t)</sub> a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates<sub>(t)</sub> between the Coupon Observation Date<sub>(t)</sub> (exclusive) on which the last Coupon Trigger Event has occurred and the applicable Coupon Observation Date<sub>(t)</sub> (inclusive) in each case.

[Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made. The Coupon Amount will be commercially rounded to two (2) decimal places.]]

**§ 6****(intentionally left blank)****§ 7****Early Redemption*****(1) Conditions precedent for Early Redemption***

In the event that on any Autocall Observation Date an Autocall Event has occurred, the term of the Products shall end automatically on this Autocall Observation Date without the need for a separate termination of the Products by the Issuer (the "**Early Redemption**"). In this case the Redemption Amount to be paid by the Issuer equals the Denomination [multiplied by the Current Exchange Rate Performance].

***(2) Notification of Early Redemption***

Notice of the occurrence of Early Redemption and the value of the Redemption Amount to be paid per Product in this case shall be published in accordance with § 4 of the General Conditions.

**§ 8****Payments, Physical Delivery*****(1) Payments, Physical Delivery***

The Issuer shall cause the delivery of the Underlying or Basket Component, as the case may be, or the claimed Redemption Amount, if any, or any other amount to be paid pursuant to § 4 of the Issue Specific Conditions to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Early Redemption Date (in the case of an Early Redemption pursuant to § 7 of the Issue Specific Conditions) and/or the Redemption Date (in the case that not Early Redemption has occurred). The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Early Redemption Date, the Redemption Date or Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be

borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

***(2) Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

***(3) Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:*

**§ 10**

**Collateral Secured Instruments (COSI)**

***(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The

Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

**(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 («Framework Agreement»). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [term-sheet@leonteq.com](mailto:term-sheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at «[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)».

**(3) Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the

Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

#### **(4) Distribution and market making**

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

#### **(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the

collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).



Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a

separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the

COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instruments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions

maturity   Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

## § 10

### Triparty Collateral Management (TCM)

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("**Collateral Provider**") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail ([termsheet@leonteq.com](mailto:termsheet@leonteq.com)).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore,

the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and

shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

#### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

#### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("FISA") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

#### **Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:*

**§ 10**  
**(intentionally left blank)]**



[in the case of Express Certificates with potential Physical Settlement and without par value (Product No. 17), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) *Currency; Issue Size*

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) *Form*

[insert in the case of Swiss Uncertificated Securities:

##### (a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:]*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:]*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:]*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"Clearing System" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer or an early redemption [insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated] [insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions].

**§ 2****Status of the Products**

[insert in the case neither COSI nor TCM is applicable:

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case either COSI or TCM is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3****Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][insert other currency: ●] [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the [Reference Currency][Settlement Currency][insert other currency: ●] which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [and/or] [the respective Autocall Observation Date allocated to the relevant Early Redemption Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the [weighted average] exchange rate [executed in duly discretion from [●] to the Initial Fixing Date] as specified in **Table 2** in the Annex expressed

in the [Reference Currency][Settlement Currency][insert other currency: ●] [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the [Reference Currency][Settlement Currency][insert other currency: ●] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]

["**Initial Fixing Level**" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the lowest Reference Price of the respective Basket Component during the Initial Fixing Period] [the lowest Reference Price of the [Underlying][respective Basket Component] during the Initial Fixing Observation Dates, as determined by the Calculation Agent] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.] [the weighted average [Price][Reference Price] of the [Underlying][Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.]

["**Initial Fixing Observation Dates**" means the initial fixing observation dates as specified in **Table 1** in the Annex.]

["**Initial Fixing Period**" means the initial fixing period as specified in **Table 1** in the Annex.]

["**Initial Basket Value**" means the initial basket value as specified in **Table 1** in the Annex.]

["**Number of Basket Component<sub>(i)</sub>**" [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Denomination][Initial Basket Value] \* Initial Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective



Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex].]

["**Business Day**" means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]*

*[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]*

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**" means the strike level as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level][and converted where necessary into the Settlement Currency using the Exchange Rate<sub>(i)</sub>].]] [the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] *[insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conver-*

sion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]

["**Autocall Observation Date**" means [each of the autocall observation dates as specified in **Table 3** in the Annex or, if such date is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in relation to the relevant Basket Component]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Autocall Observation Date [in respect of one or more Basket Components], the relevant Autocall Observation Date [in relation to the relevant Basket Component] shall be postponed accordingly.]]

["**Autocall Event**" has occurred if on an Autocall Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Autocall Trigger Level relevant for such date.]

["**Autocall Trigger Level**" means the Autocall Trigger Level in respect of the relevant Autocall Observation Date [with respect to the relevant Basket Component] as specified in **Table 3** in the Annex.]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level [of [the][a][at least [one][two or more] Basket Component[s] [(regardless of the Target One Underlying)] [with the [Best][Worst] Performance] is [equal to or] below the [Barrier Level][Strike Level][Target One Level]] [the [Price][Reference Price] [and none of the Final Fixing Levels of the Basket Components is above the respective Target Level] [of [the][a][at least [one][two or more]] Basket Component[s] [(regardless of the Target One Underlying)] is [equal to or] below the [Barrier Level] [Strike Level] [Target One Level] at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate:* [the Final Basket Value equals or falls below the [Barrier Level] [Strike Level] [Target One Level] as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the [Barrier Level] [Strike Level] [Target One Level] during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of [a][at least [one][two or more]] Basket Component[s] is [equal to or] below the [Barrier Level] [Strike Level] [Target One Level] for this Basket Component as specified in **Table [1][2]** in the Annex [(regardless of the Target One Underlying)] [at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]]]

["**Target One Level**" means the target one level [with respect to the relevant Basket Component] as specified in **Table 2** in the Annex.]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]["**Interest Rate**"]["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component*., as issued by the Share Issuer.]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange" means*, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Amount**" means the coupon amount as specified in **Table [1][3]** in the Annex.]

["**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Rate**" equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

["**Coupon Trigger Event**" has occurred if on a Coupon Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Coupon Trigger Level relevant for such date.]

["**Coupon Trigger Level**" means the coupon trigger level as specified in **Table [1][3]** in the Annex [with respect to the relevant Basket Component].]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1**[**3**] in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period:* In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component:* "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component] means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate

sponsor on the designated Exchange Rate Page [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Early Redemption Date**" means each of the early redemption dates as specified in **Table 3** in the Annex or, if an Early Redemption Date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Autocall Observation Date, the relevant Early Redemption Date shall be postponed accordingly.]]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][insert other currency: ●] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][insert other currency: ●] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the [weighted average] exchange rate [executed in duly discretion from [●] to the Initial Fixing Date] as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][insert other currency: ●] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][insert other currency: ●] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

[insert if either COSI or TCM is applicable:

##### *(1) Redemption Amount*

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions and subject to a physical delivery of the Underlying pursuant to paragraph (4), the Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3).

##### *(2) Minimum Redemption*

[Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level is above the [Initial Fixing Level][Strike Level]] the Redemption Amount equals the Issue Price [multiplied by the Exchange Rate Performance].][Provided that the Final Fixing Level is above the Strike Level, the Redemption Amount equals the Issue Price [multiplied by the Exchange Rate Performance].]

[The Minimum Redemption Amount will be [insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (5), as the case may be, and] commercial-

ly rounded to two (2) decimal places.]

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the Issue Price [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (5), as the case may be, and] commercially rounded to two (2) decimal places.]

**(4) Settlement by delivery**

If [a Barrier Event has occurred] [(i) a Barrier Event has occurred and (ii) the Final Fixing Level is equal to or below the [Initial Fixing Level][Strike Level]] [the Final Fixing Level is equal to or below the Strike Level], the Issuer will redeem the Products by way of delivery of a number of the [Underlying][Basket Component with the Worst Performance] expressed by the Conversion Ratio, with fractions of the [Underlying][relevant Basket Component] not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the [Underlying][relevant Basket Component], for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the [Underlying][relevant Basket Component]. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level of the [Underlying][relevant Basket Component] [converted into the Settlement Currency [on the basis of [•]]], which considering the Conversion Ratio is either related to the fraction of the [Underlying][relevant Basket Component] (in the case of the Cash Payment Amount for Fractions) or to the number of the [Underlying][relevant Basket Component] (in the case of the Compensation Amount). If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the [Underlyings][relevant Basket Components] to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]

[*insert if Currency Conversion is applicable*:

**(5) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding

page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]

[*insert if neither COSI nor TCM is applicable*:

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions and subject to a physical delivery of the Underlying pursuant to paragraph (4), the Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3).

**(2) Minimum Redemption**

[Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level is above the [Initial Fixing Level][Strike Level]] the Redemption Amount equals the Issue Price [multiplied by the Exchange Rate Performance].][Provided that the Final Fixing Level is above the Strike Level, the Redemption Amount equals the Issue Price [multiplied by the Exchange Rate Performance].]

[The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (5), as the case may be, and] commercially rounded to two (2) decimal places.]

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the Issue Price [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (5), as the case may be, and] commercially rounded to two (2) decimal places.]

**(4) Settlement by delivery**

If [a Barrier Event has occurred] [(i) a Barrier Event has occurred and (ii) the Final Fixing Level is equal to or below the [Initial Fixing Level][Strike Level]] [the Final Fixing Level is equal to or below the Strike Level], the Issuer will redeem the Products by way of delivery of a number of the [Underlying][Basket Component with the Worst Performance] expressed by the Conversion Ratio, with fractions of the [Underlying][relevant Basket Component] not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the [Underlying][relevant Basket Component], for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the [Underlying][relevant Basket



Component]. For the calculation of the Cash Payment Amount for Fractions or the Compensation Amount the Final Fixing Level of the [Underlying][relevant Basket Component] [converted into the Settlement Currency [on the basis of [●]]], which considering the Conversion Ratio is either related to the fraction of the [Underlying][relevant Basket Component] (in the case of the Cash Payment Amount for Fractions) or to the number of the [Underlying][relevant Basket Component] (in the case of the Compensation Amount). If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the [Underlyings][relevant Basket Components] to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]

*[insert if Currency Conversion is applicable:*

**(5) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]*

**§ 5**

**Interest, Coupon Payments**

***[(1) Coupon Payments]***

[[If a Coupon Trigger Event has occurred on a Coupon Observation Date, a coupon payment is made in the Settlement Currency for the products on the applicable Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. [If a Coupon Trigger Event has not occurred on a Coupon Observation Date, a coupon payment is not made for the Products on the applicable Coupon Payment Date.]] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the Issue Price [whereby the result is multiplied by the Current Exchange Rate Performance].] [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] [If a Coupon Trigger Event has not occurred and [no Barrier Event has occurred][the Final Fixing Level is above the Strike Level], the Holder receives a coupon payment on the final Coupon

Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance].][The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] In the case of a redemption at the end of the term, the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance].][Provided that on the relevant Coupon Observation Date a Coupon Trigger Event has occurred, a Coupon payment shall be made for the Products on the relevant Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. The coupon rate (the "**Coupon Rate**") relevant for the respective Coupon Observation Date is the Coupon Rate for the relevant Coupon Payment Date specified in **Table 3** in the Annex. [If a Coupon Trigger Event has not occurred on a Coupon Observation Date, a coupon payment is not made for the Products on the applicable Coupon Payment Date.] [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.]]

**[(2) Coupon Amount**

The Coupon Amount (the "**Coupon Amount**") is determined by multiplying the Issue Price by (i) the applicable Coupon Rate for the relevant Coupon Payment Date and by (ii) N [whereby the result is multiplied by the Current Exchange Rate Performance].

"N" means in the case that

- (a) before the applicable Coupon Observation Date<sub>(t)</sub> no Coupon Trigger Event has occurred, the number of Coupon Observation Dates<sub>(t)</sub> from Coupon Observation Date<sub>(1)</sub> (inclusive) to, in each case, the applicable Coupon Observation Date<sub>(t)</sub> (inclusive), and in the case that
- (b) before the applicable Coupon Observation Date<sub>(t)</sub> a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates<sub>(t)</sub> between the Coupon Observation Date<sub>(t)</sub> (exclusive) on which the last Coupon Trigger Event has occurred and the applicable Coupon Observation Date<sub>(t)</sub> (inclusive) in each case.

[Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made. The Coupon Amount will be commercially rounded to two (2) decimal places.]]

**§ 6**

**(intentionally left blank)**

**§ 7**

**Early Redemption**

***(1) Conditions precedent for Early Redemption***

In the event that on any Autocall Observation Date an Autocall Event has occurred, the term of the

Products shall end automatically on this Autocall Observation Date without the need for a separate termination of the Products by the Issuer (the "**Early Redemption**"). In this case the Redemption Amount to be paid by the Issuer equals the Issue Price [whereby the result is multiplied by the Current Exchange Rate Performance].

***(2) Notification of Early Redemption***

Notice of the occurrence of Early Redemption and the value of the Redemption Amount to be paid per Product in this case shall be published in accordance with § 4 of the General Conditions.

**§ 8**

**Payments, Physical Delivery**

***(1) Payments, Physical Delivery***

The Issuer shall cause the delivery of the Underlying or Basket Component, as the case may be, or the claimed Redemption Amount, if any, or any other amount to be paid pursuant to § 4 of the Issue Specific Conditions to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Early Redemption Date (in the case of an Early Redemption pursuant to § 7 of the Issue Specific Conditions) and/or the Redemption Date (in the case that no Early Redemption has occurred). The Issuer shall transfer the respective Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Early Redemption Date, the Redemption Date or a Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

## § 9

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

**(1) Termination Right of Issuer**

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) Transfer of the Redemption Amount in case of termination**

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) Taxes, fees or other duties**

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:]*

## § 10

**Collateral Secured Instruments (COSI)**

**(1) Collateralization of the Product**

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral

is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

### ***(2) Documentation***

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [term-sheet@leonteq.com](mailto:term-sheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

### ***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange

AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

**(4) Distribution and market making**

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

**(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of



net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current

Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instruments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

## § 10

### Triparty Collateral Management (TCM)

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

#### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding

TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

**Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("FISA") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:*

**§ 10**  
**(intentionally left blank)]**

[in the case of Inverse Discount Certificates with Cash Settlement (Product No. 18), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the



respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art.

973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"Clearing System" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3**

**Definitions**

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

[*insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].*]

["**Initial Fixing Level**" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying]

[Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["**Initial Fixing Period**" means the initial fixing period as specified in **Table 1** in the Annex.]

["**Initial Basket Value**" means the initial basket value as specified in **Table 1** in the Annex.]

["**Number of Basket Component<sub>(i)</sub>**" [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Denomination][Initial Basket Value] \* Initial Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex].]

["**Business Day**" means

*[insert in the case of Products with Swiss Francs as Settlement Currency:* [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency:* [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in *[insert principal financial centre for such currency: ●]*.)]

*[insert in the case of Products with Euro as Settlement Currency:* [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with US Dollar as Settlement Currency:* [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in

New York and Zurich.]

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: •]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].]] [the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] *[insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]*

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"] ["**Interest Rate**"] ["**Reference Rate**"]) *[insert in the case of a share as Underlying or Basket Component, as issued by the Share Issuer].]*

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substi-*



tute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Cap Level**"] means the Cap Level as specified in **Table 1** in the Annex.]

["**Fiscal Agent**"] means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**"] means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**"] means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Initial Fixing Date**"] means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*

["**Business Centre**"] means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]*

["**Initial Weighting<sub>(i)</sub>**"] means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Inverse Level**"] means the inverse level as specified in **Table 1** in the Annex.]

["**Price**"] [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] *[insert Internet site: ●]* [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**"] [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**"] [of a Basket Component means the [lowest] [highest] Reference Price

of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component]] [all Basket

Components]]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

[*insert if either COSI or TCM is applicable:*

##### **(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Maximum Redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the product of (i) the Conversion Ratio and (ii) the difference between the Inverse Level and the Final Fixing Level. [The result is multiplied by the Exchange Rate Performance.] The Redemption Amount is at least zero.

The Redemption Amount will be [*insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and] commercially rounded to two (2) decimal places.

##### **(2) Maximum Redemption**

The Redemption Amount will not exceed the Maximum Redemption Amount, which is equal to the product of (i) the Conversion Ratio and (ii) the difference between the Inverse Level and the Final Fixing Level [whereby the result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable:* converted

into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.

*[insert if Currency Conversion is applicable:*

**(3) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]*

*[insert if neither COSI nor TCM is applicable:*

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Maximum Redemption pursuant to paragraph (2) the product of (i) the Conversion Ratio and (ii) the difference between the Inverse Level and the Final Fixing Level. [The result is multiplied by the Exchange Rate Performance.] The Redemption Amount is at least zero.

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and]* commercially rounded to two (2) decimal places.

**(2) Maximum Redemption**

The Redemption Amount will not exceed the Maximum Redemption Amount, which is equal to the product of (i) the Conversion Ratio and (ii) the difference between the Inverse Level and the Final Fixing Level [whereby the result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3) and]* commercially rounded to two (2) decimal places.

*[insert if Currency Conversion is applicable:*

**(3) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]*

**§ 5**

**Interest, Coupon Payments**

The Products bear no interest.

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments**

**(1) Payments**

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

**(2) Declaration on Regulation S**

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

**(3) Taxes, Fees and Duties**

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

**(1) Termination Right of Issuer**

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) Transfer of the Redemption Amount in case of termination**

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) Taxes, fees or other duties**

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:*

**§ 10****Collateral Secured Instruments (COSI)*****(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

***(2) Documentation***

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 («Framework Agreement»). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [term-sheet@leonteq.com](mailto:term-sheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at "[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)".

***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the

trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

#### **(4) Distribution and market making**

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

#### **(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated



with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collat-

eral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on

which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) *Liability***

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) *No authorisation***

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) *Congruence with the Conditions***

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instru-	

ments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

## § 10

### Triparty Collateral Management (TCM)

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

#### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**").

The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current

Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

#### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up

proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

**Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

**Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

**Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Prod-



## V. TERMS AND CONDITIONS

uct will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10**  
**(intentionally left blank)]**

[in the case of Master Discount Certificates with Cash Settlement (Product No. 19), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"Clearing System" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2****Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3****Definitions**

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

[*insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].*]

["**Initial Fixing Level**" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying]



[Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["**Initial Fixing Period**" means the initial fixing period as specified in **Table 1** in the Annex.]

["**Initial Basket Value**" means the initial basket value as specified in **Table 1** in the Annex.]

["**Number of Basket Component<sub>(i)</sub>**" [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and [takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date] [takes into account the equally-weighted weighting of the respective Basket Component<sub>(i)</sub> on the Initial Fixing Date in the value of the Product].] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Denomination][Initial Basket Value] \* Initial Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex].]

["**Business Day**" means

*[insert in the case of Products with Swiss Francs as Settlement Currency:* [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency:* [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in *[insert principal financial centre for such currency: ●].*]

*[insert in the case of Products with Euro as Settlement Currency:* [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with US Dollar as Settlement Currency:* [(in the case of Products with

US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.])

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: •]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*)

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].]] [the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] *[insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]]*

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]["**Interest Rate**"]["**Reference Rate**"]) *[insert in the case of a share as Underlying or Basket Component, as issued by the Share Issuer].]*

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket*

*Component: "Exchange"* means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Cap Level**"] means the Cap Level [of the respective Basket Component] as specified in **Table 1**[**2**] in the Annex.]

["**Fiscal Agent**"] means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**"] means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**"] means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Initial Fixing Date**"] means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*

["**Business Centre**"] means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**"] means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**"] [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] *[insert Internet site: ●]*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**"] [of the relevant Basket Component] means the quotient of the Final Fixing

Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [*●*] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### *(1) Redemption Amount*

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Maximum Redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the total of the Partial Redemption Amounts<sub>(i)</sub>.

The "**Partial Redemption Amount**" for the respective Basket Component<sub>(i)</sub> corresponds to

- (a) the Final Fixing Level<sub>(i)</sub> multiplied by the Number of Basket Component<sub>(i)</sub> provided that the Final Fixing Level<sub>(i)</sub> is at or below the respective Cap Level<sub>(i)</sub>; or
- (b) the respective Cap Level<sub>(i)</sub> multiplied by the Number of Basket Component<sub>(i)</sub>, provided that the Final Fixing Level<sub>(i)</sub> exceeds the respective Cap Level<sub>(i)</sub>.

The Redemption Amount will be [multiplied by the Exchange Rate Performance and] *[insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and] commercially rounded to two (2) decimal places.

**(2) Maximum Redemption**

The Redemption Amount will not exceed the Maximum Redemption Amount specified in **Table 1** in the Annex (the "**Maximum Redemption Amount**"), since the respective Partial Redemption Amount<sub>(i)</sub> is limited to the respective Cap Level<sub>(i)</sub> multiplied by the Number of Basket Component<sub>(i)</sub>.

The Maximum Redemption Amount will be [multiplied by the Exchange Rate Performance and] [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

**(3) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

[*insert if neither COSI nor TCM is applicable*:

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Maximum Redemption pursuant to paragraph (2) the total of the Partial Redemption Amounts<sub>(i)</sub>.

The "**Partial Redemption Amount**" for the respective Basket Component<sub>(i)</sub> corresponds to

- (a) the Final Fixing Level<sub>(i)</sub> multiplied by the Number of Basket Component<sub>(i)</sub> provided that the Final Fixing Level<sub>(i)</sub> is at or below the respective Cap Level<sub>(i)</sub>; or
- (b) the respective Cap Level<sub>(i)</sub> multiplied by the Number of Basket Component<sub>(i)</sub>, provided that the Final Fixing Level<sub>(i)</sub> exceeds the respective Cap Level<sub>(i)</sub>.

The Redemption Amount will be [multiplied by the Exchange Rate Performance and] [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and] commercially rounded to two (2) decimal places.

**(2) Maximum Redemption**

The Redemption Amount will not exceed the Maximum Redemption Amount specified in **Table 1** in the Annex (the "**Maximum Redemption Amount**"), since the respective Partial Redemption Amount<sub>(i)</sub> is limited to the respective Cap Level<sub>(i)</sub> multiplied by the Number of Basket Component<sub>(i)</sub>.

The Maximum Redemption Amount will be [multiplied by the Exchange Rate Performance and] [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

**(3) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

**§ 5**

**Interest, Coupon Payments**

The Products bear no interest.

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments**

**(1) Payments**

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

**(2) Declaration on Regulation S**

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

**(3) Taxes, Fees and Duties**

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

**(1) Termination Right of Issuer**

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) Transfer of the Redemption Amount in case of termination**

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.



**(3) Taxes, fees or other duties**

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

[insert in the case COSI is applicable:

**§ 10****Collateral Secured Instruments (COSI)****(1) Collateralization of the Product**

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

**(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzer-

land via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at "[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)".

### ***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

### ***(4) Distribution and market making***

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

**(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

**(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

**(10) *Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of

the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) *Liability***

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) *No authorisation***

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this § 10 "Collateral Secured Instruments (COSI)"	Corresponding definition in these Conditions
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10****Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four busi-

ness days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

### **Collateralization method**



The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

#### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in

particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

#### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

#### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

#### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

#### **Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against

the Collateral Provider under the terms of the TCM Security Agreement The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10**  
**(intentionally left blank)]**

[in the case of Express Certificates with Cash Settlement and with par value and/or issue price and unconditional minimum redemption (Product No. 20), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

**"Custody Agent"** is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:]*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:]*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:]*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*



**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer or an early redemption [insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated] [insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions].

**§ 2****Status of the Products**

[insert in the case neither COSI nor TCM is applicable:

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case either COSI or TCM is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3****Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [and/or] [the respective Autocall Observation Date allocated to the relevant Early Redemption Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means [the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on

the Exchange Rate Page or on any replacement page.] [the arithmetic mean of the [●] in [the Reference Currency] [●] for 1 unit of the [Settlement Currency] [●] [during the period from [●] to [●]][on [●]], as determined by the Calculation Agent on the basis of the information published on the Exchange Rate Page or on any replacement page.]]

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]*

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Denomination][Initial Basket Value] \* Initial Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

**"Business Day"** means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle*

payments in Zurich.]

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]*

*[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]*

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

**"Issue Price"** means the issue price as specified in **Table 1** in the Annex.]

**"Issue Surcharge"** means the issue surcharge as specified in **Table 1** in the Annex.]

**"Issue Date"** means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

**"Strike Level"** means the strike level as specified in **Table 1** in the Annex.]

**"Conversion Ratio"** means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].]][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] *[insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]*

**"Autocall Observation Date"** means [each of the autocall observation dates as specified in **Table 3** in the Annex or, if such date is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in relation to the relevant Basket Component]. In the event of the postponement of the Underlying Valuation Date corresponding to the

relevant Autocall Observation Date [in respect of one or more Basket Components], the relevant Autocall Observation Date [in relation to the relevant Basket Component] shall be postponed accordingly.]]

["**Autocall Event**" has occurred if on an Autocall Observation Date the Reference Price [of all Basket Components] [of the Basket Component with the Worst Performance] [reaches or] exceeds the [respective] Autocall Trigger Level relevant for such date.]

["**Autocall Trigger Level**" means the Autocall Trigger Level in respect of the relevant Autocall Observation Date [with respect to the relevant Basket Component] as specified in **Table 3** in the Annex.]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**] ["**Futures Contract**] ["**Fixed Rate Instrument**] ["**Derivative Instrument**] ["**Fund Unit**] ["**Interest Rate**] ["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component*., as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Amount**" means the coupon amount as specified in **Table [1][3]** in the Annex.]

["**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Rate**" equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

["**Coupon Trigger Event**" has occurred if on a Coupon Observation Date the Reference Price [of all Basket Components] [of the Basket Component with the Worst Performance] [reaches or] exceeds the [respective] Coupon Trigger Level relevant for such date.]

["**Coupon Trigger Level**" means the coupon trigger level as specified in **Table 1**[3] in the Annex [with respect to the relevant Basket Component].]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1**[3] in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period:* In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component:* "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Minimum Redemption Factor**" means the minimum redemption factor as specified in **Table 1** in the Annex.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg][the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an Early Redemption pursuant to § 7 of the Issue Specific

Conditions or subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means [the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated [[- in connection with the determination whether an Autocall Trigger Event has occurred -] by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level [and - in connection with the determination whether a Coupon Trigger Event has occurred or not - by division of the corresponding Reference Price on the respective Coupon Observation Date by the corresponding Initial Fixing Level].]]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Early Redemption Coupon Amount**" means the Early Redemption Coupon Amount allocated to the respective Autocall Observation Date in **Table 3** in the Annex.]

["**Early Redemption Date**" means each of the early redemption dates as specified in **Table 3** in the Annex or, if an Early Redemption Date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Autocall Observation Date, the relevant Early Redemption Date shall be postponed accordingly.]]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other*



*currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### **(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions [the [Denomination][Issue Price] [multiplied by the Exchange Rate Performance]] [the Minimum Redemption Factor multiplied by the [Denomination][Issue Price] (the "**Minimum Redemption Amount**"). [The result is multiplied by the Exchange Rate Performance.] The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and]* commercially rounded to two (2) decimal places.]] *[[and a Minimum Redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the [Denomination][Issue Price] which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3), if the Final Fixing Levels of all Basket Components are at or above the Autocall Trigger Level.] [The result is multiplied by the Exchange Rate Performance.]*

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and]* commercially rounded to two (2) decimal places.

##### **(2) Minimum Redemption**

The Redemption Amount per Product is at least equal to the Minimum Redemption Factor multiplied by the [Denomination][Issue Price] [multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

[The Minimum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4) and]* commercially rounded to two (2) decimal places.]]

##### **(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the [Denomination][Issue Price] [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable: converted*

into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.]]

*[insert if Currency Conversion is applicable:*

**[(2)][(4)]      *Currency exchange***

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]*

*[insert if neither COSI nor TCM is applicable:*

**(1) *Redemption Amount***

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions [the [Denomination][Issue Price] [multiplied by the Exchange Rate Performance]] [the Minimum Redemption Factor multiplied by the [Denomination][Issue Price] (the "**Minimum Redemption Amount**"). [The result is multiplied by the Exchange Rate Performance.] The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and] commercially rounded to two (2) decimal places.* [[and a Minimum Redemption pursuant to paragraph (2) the [Denomination][Issue Price] which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3), if the Final Fixing Levels of all Basket Components are at or above the Autocall Trigger Level.] [The result is multiplied by the Exchange Rate Performance.]

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.*

**[(2) *Minimum Redemption***

The Redemption Amount per Product is at least equal to the Minimum Redemption Factor multiplied by the [Denomination][Issue Price] [multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").

[The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.]]

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the [Denomination] [Issue Price] [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").]

[The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.]]

[*insert if Currency Conversion is applicable*:

**[(2)][(4)] Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

**§ 5**

**Interest, Coupon Payments**

**[(1) Coupon Payments]**

[[If a Coupon Trigger Event has occurred on a Coupon Observation Date, a coupon payment is made in the Settlement Currency for the Products on the applicable Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. [If a Coupon Trigger Event has not occurred on a Coupon Observation Date, a coupon payment is not made for the Products on the applicable Coupon Payment Date.]] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the [Issue Price] [Denomination] [whereby the result is multiplied by the Current Exchange Rate Performance].] [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further

coupon payments are made.] [If a Coupon Trigger Event has not occurred and [no Barrier Event has occurred][the Final Fixing Level is above the Strike Level], the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance].][The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] In the case of a redemption at the end of the term, the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance].][Provided that on the relevant Coupon Observation Date a Coupon Trigger Event has occurred, a Coupon payment shall be made for the Products on the relevant Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. The coupon rate (the "**Coupon Rate**") relevant for the respective Coupon Observation Date is the Coupon Rate for the relevant Coupon Payment Date specified in **Table [1][3]** in the Annex. [If a Coupon Trigger Event has not occurred on a Coupon Observation Date, a coupon payment is not made for the Products on the applicable Coupon Payment Date.]]

**[(2) Coupon Amount**

The Coupon Amount (the "**Coupon Amount**") is determined by multiplying the [Denomination][Issue Price] by (i) the applicable Coupon Rate for the relevant Coupon Payment Date and by (ii) N [whereby the result is multiplied by the Current Exchange Rate Performance].

"N" means [in the case that

- (a) before the applicable Coupon Observation Date<sub>(t)</sub> no Coupon Trigger Event has occurred, the number of Coupon Observation Dates<sub>(t)</sub> from Coupon Observation Date<sub>(1)</sub> (inclusive) to, in each case, the applicable Coupon Observation Date<sub>(t)</sub> (inclusive), and in the case that
- (b) before the applicable Coupon Observation Date<sub>(t)</sub> a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates<sub>(t)</sub> between the Coupon Observation Date<sub>(t)</sub> (exclusive) on which the last Coupon Trigger Event has occurred and the applicable Coupon Observation Date<sub>(t)</sub> (inclusive) in each case.][the number of Coupon Observation Dates<sub>(t)</sub> from Coupon Observation Date<sub>(1)</sub> (inclusive) to the relevant Coupon Observation Date on which a Coupon Trigger Event has occurred.]

[Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made. The Coupon Amount will be commercially rounded to two (2) decimal places.]]

**§ 6****(intentionally left blank)****§ 7****Early Redemption*****(1) Conditions precedent for Early Redemption***

In the event that on any Autocall Observation Date an Autocall Event has occurred, the term of the Products shall end automatically on this Autocall Observation Date without the need for a separate termination of the Products by the Issuer (the "**Early Redemption**"). In this case the Redemption Amount to be paid by the Issuer equals the [Denomination][Issue Price] [plus the Early Redemption Coupon Amount allocated to the Autocall Observation Date on which the Autocall Event has occurred [multiplied by the Current Exchange Rate Performance] [[whereby the result is] multiplied by the Current Exchange Rate Performance].

***(2) Notification of Early Redemption***

Notice of the occurrence of Early Redemption and the value of the Redemption Amount to be paid per Product in this case shall be published in accordance with § 4 of the General Conditions.

**§ 8****Payments*****(1) Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Early Redemption Date (in the case of an Early Redemption pursuant to § 7 of the Issue Specific Conditions) and/or the Redemption Date (in the case that no Early Redemption has occurred). The Issuer shall transfer the respective Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Early Redemption Date, the Redemption Date or a Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be

borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

***(2) Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

***(3) Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:*

**§ 10**

**Collateral Secured Instruments (COSI)**

***(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The

Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

### **(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

### **(3) Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the

Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [in relation to *[insert ISIN(s): •]* [and]] [Method B: Bond Floor Method] [in relation to *[insert ISIN(s): •]*] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

#### **(4) Distribution and market making**

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

#### **(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization



zation is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a

private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its

COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for

a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instruments (COSI)"	
investor	Holder
issuer	Issuer
issuing condi-	Terms and Conditions, Conditions

ons

maturity Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

## § 10

### **Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

#### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for

selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and

shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

#### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

#### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("FISA") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

#### **Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.



*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10**  
**(intentionally left blank)]**

[in the case of Express Certificates with Cash Settlement and with par value and with Downside Participation Factor (Product No. 21), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "Issuer") issues products (each a "Certificate" or a "Product" and together the "Certificates" or the "Products"). The total nominal amount (the "Total Nominal Amount") and the settlement currency (the "Settlement Currency") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:]*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:]*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:]*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"Clearing System" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer or an early redemption [insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated] [insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions].

**§ 2****Status of the Products**

[insert in the case neither COSI nor TCM is applicable:

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case either COSI or TCM is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3****Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [and/or] [the respective Autocall Observation Date allocated to the relevant Early Redemption Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the



Exchange Rate Page or on any replacement page.]

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]*

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor):  $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$ .] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

**"Business Day"** means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the*

case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [*insert principal financial centre for such currency: ●*].]

[*insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.*]

[*insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.*]

[*insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [*insert currency: ●*]] [in the Business Centre[s]] [*if no currency is indicated, insert: in each of the Business Centres.*]]]*

["**Issue Price**"] means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**"] means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**"] means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**"] means the strike level as specified in **Table 1** in the Annex.]

["**Conversion Ratio**"] means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].]][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] [*insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.*]]]

["**Autocall Observation Date**"] means [each of the autocall observation dates as specified in **Table 3** in the Annex or, if such date is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in relation to the relevant Basket Component]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Autocall Observation Date [in respect of one or more Basket Components], the relevant Autocall Observation Date [in relation to the relevant Basket Component] shall be postponed accordingly.]]

["**Autocall Event**" has occurred if on an Autocall Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Autocall Trigger Level relevant for such date.]

["**Autocall Trigger Level**" means the Autocall Trigger Level in respect of the relevant Autocall Observation Date [with respect to the relevant Basket Component] as specified in **Table 3** in the Annex.]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate:* [the Final Basket Value is equal to or below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of [a][at least one] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex [at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]]]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate:* [the Final Basket Value is equal to or below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of [a][at least one] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]["**Interest Rate**"]["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component:*, as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange" means*, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Amount**" means the coupon amount as specified in **Table [1][3]** in the Annex.]

["**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Rate**" equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

["**Coupon Trigger Event**" has occurred if on a Coupon Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Coupon Trigger Level relevant for such date.]

["**Coupon Trigger Level**" means the coupon trigger level as specified in **Table [1][3]** in the Annex [with respect to the relevant Basket Component].]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table [1][3]** in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Downside Participation Factor**" means the downside participation factor as specified in **Table 1** in the Annex.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.*]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any re-

placement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Minimum Redemption Factor**" means the minimum redemption factor as specified in **Table 1** in the Annex.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Early Redemption Date**" means each of the early redemption dates as specified in **Table 3** in the Annex or, if an Early Redemption Date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Autocall Observation Date, the relevant Early Redemption Date shall be postponed accordingly.]]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### *(1) Redemption Amount*

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the Denomination plus the Additional Amount. [The result is multiplied by the Exchange Rate Performance.] The Additional Amount equals the Downside Participation Factor multiplied by the difference between (i) the Performance of the Basket Component with the Worst Performance and (ii) the quotient of the Strike Level of the Basket Component with the Worst Performance and the Initial Fixing Level of the Basket Component with the Worst Performance. The Redemption Amount equals at least zero.

The "**Performance of the Basket Component**" equals the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor) of the respective Basket Component.

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and]* commercially rounded to two (2) decimal places.

**(2) Maximum Redemption**

The Redemption Amount per Product equals no more than the Denomination [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3) and]* commercially rounded to two (2) decimal places.]

*[insert if Currency Conversion is applicable:*

**(3) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]*

*[insert if neither COSI nor TCM is applicable:*

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions the Denomination plus the Additional Amount. [The result is multiplied by the Exchange Rate Performance.] The Additional Amount equals the Downside Participation Factor multiplied by the difference between (i) the Performance of the Basket Component with the Worst Performance and (ii) the quotient of the Strike Level of the Basket Component with the Worst Performance and the Initial Fixing Level of the Basket Component with the Worst Performance. The Redemption Amount equals at least zero.

The "**Performance of the Basket Component**" equals the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor) of the respective Basket Component.

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and]* commercially rounded to two (2) decimal places.



**(2) Maximum Redemption**

The Redemption Amount per Product equals no more than the Denomination [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3) and]* commercially rounded to two (2) decimal places.]

*[insert if Currency Conversion is applicable:*

**(3) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]**[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]*

**§ 5****Interest, Coupon Payments****[(1) Coupon Payments]**

[[If a Coupon Trigger Event has occurred on a Coupon Observation Date, a coupon payment is made in the Settlement Currency for the products on the applicable Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. [If a Coupon Trigger Event has not occurred on a Coupon Observation Date, a coupon payment is not made for the Products on the applicable Coupon Payment Date.] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the Issue Price [whereby the result is multiplied by the Current Exchange Rate Performance].] [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] [If a Coupon Trigger Event has not occurred and [no Barrier Event has occurred][the Final Fixing Level is above the Strike Level], the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance].][The Holder receives

a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] In the case of a redemption at the end of the term, the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance].][Provided that on the relevant Coupon Observation Date a Coupon Trigger Event has occurred, a Coupon payment shall be made for the Products on the relevant Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. The coupon rate (the "**Coupon Rate**") relevant for the respective Coupon Observation Date is the Coupon Rate for the relevant Coupon Payment Date specified in **Table 3** in the Annex. [If a Coupon Trigger Event has not occurred on a Coupon Observation Date, a coupon payment is not made for the Products on the applicable Coupon Payment Date.] [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.]]

**[(2) Coupon Amount**

The Coupon Amount (the "**Coupon Amount**") is determined by multiplying the Denomination by (i) the applicable Coupon Rate for the relevant Coupon Payment Date and by (ii) N [whereby the result is multiplied by the Current Exchange Rate Performance].

"N" means [in the case that

- (a) before the applicable Coupon Observation Date<sub>(t)</sub> no Coupon Trigger Event has occurred, the number of Coupon Observation Dates<sub>(t)</sub> from Coupon Observation Date<sub>(1)</sub> (inclusive) to, in each case, the applicable Coupon Observation Date<sub>(t)</sub> (inclusive), and in the case that
- (b) before the applicable Coupon Observation Date<sub>(t)</sub> a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates<sub>(t)</sub> between the Coupon Observation Date<sub>(t)</sub> (exclusive) on which the last Coupon Trigger Event has occurred and the applicable Coupon Observation Date<sub>(t)</sub> (inclusive) in each case.] [the number of Coupon Observation Dates<sub>(t)</sub> from Coupon Observation Date<sub>(1)</sub> (inclusive) to the relevant Coupon Observation Date on which a Coupon Trigger Event has occurred.]

[Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made. The Coupon Amount will be commercially rounded to two (2) decimal places.]]

**§ 6**

**(intentionally left blank)**

**§ 7**

**Early Redemption**

***(1) Conditions precedent for Early Redemption***

In the event that on any Autocall Observation Date an Autocall Event has occurred, the term of the

Products shall end automatically on this Autocall Observation Date without the need for a separate termination of the Products by the Issuer (the "**Early Redemption**"). In this case the Redemption Amount to be paid by the Issuer equals the Denomination [multiplied by the Current Exchange Rate Performance].

**(2) Notification of Early Redemption**

Notice of the occurrence of Early Redemption and the value of the Redemption Amount to be paid per Product in this case shall be published in accordance with § 4 of the General Conditions.

**§ 8**

**Payments**

**(1) Payments**

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Early Redemption Date (in the case of an Early Redemption pursuant to § 7 of the Issue Specific Conditions) and/or the Redemption Date (in the case that no Early Redemption has occurred). The Issuer shall transfer the respective Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Early Redemption Date, the Redemption Date or a Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

**(2) Declaration on Regulation S**

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

**(3) Taxes, Fees and Duties**

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

**(1) Termination Right of Issuer**

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is

terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) *Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) *Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:*

**§ 10**

**Collateral Secured Instruments (COSI)**

**(1) *Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange

a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

### ***(2) Documentation***

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

### ***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to

[Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

**(4) Distribution and market making**

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

**(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

**(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in

due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically

only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the



payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this § 10 "Collateral Secured Instru- ments (COSI)"	Corresponding definition in these Conditions
investor	Holder
issuer	Issuer
issuing condi- tions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10**

**Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdic-

tion of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provid-

er is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("FISA") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:*

**§ 10**  
**(intentionally left blank)]**

[in the case of Certificates with Cash Settlement and with par value and with unconditional minimum redemption and Partial Redemption Amounts (Product No. 22), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their

own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

**"Custody Agent"** is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:]*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:]*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:]*



During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2****Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3****Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the respective Partial Redemption Date [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

[*insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the compa-*

ny that has issued the [Underlying][Basket Component].]

**["Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**["Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**["Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Denomination][Initial Basket Value] \* Initial Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

**["Business Day"** means

*[insert in the case of Products with Swiss Francs as Settlement Currency:* [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency:* [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in *[insert principal financial centre for such currency: ●].*]

*[insert in the case of Products with Euro as Settlement Currency:* [(in the case of Products with Euro

as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]*

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: •]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

["**Issue Price**"] means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**"] means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**"] means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Underlying**"] means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"] ["**Interest Rate**"] ["**Reference Rate**"]) *[insert in the case of a share as Underlying or Basket Component:., as issued by the Share Issuer].]*

["**Underlying Valuation Date**"] means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**"] means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**"] means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**"] means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**"] means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]*

["**Coupon Amount**" means the coupon amount as specified in **Table [1][3]** in the Annex.]

["**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Rate**" equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

["**Coupon Trigger Event**" has occurred if on a Coupon Observation Date the Reference Price[s] [of all Basket Components] [[is][are] equal to or] exceed[s] the [respective] Coupon Trigger Level relevant for such date.]

["**Coupon Trigger Level**" means the coupon trigger level as specified in **Table [1][3]** in the Annex [with respect to the relevant Basket Component].]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table [1][3]** in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the



day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "Index Sponsor" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]*

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Minimum Redemption Factor**" means the minimum redemption factor as specified in **Table 1** in the Annex.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of

the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**"] means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**"] means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**"] means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Partial Redemption Factor**"] means the partial redemption factor as specified in **Table 1** in the Annex.]

["**Partial Redemption Date<sub>(t)</sub>**"] means, subject to an extraordinary termination pursuant to § 13 of the Issue Specific Conditions [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions], the partial redemption date<sub>(t)</sub> as specified in **Table 3** in the Annex or, if this day is not a Business Day, the next following Business Day. The last Partial Redemption Date<sub>(t)</sub> equals the Redemption Date.]

["**Final Fixing Date**"] means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component]] [all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**"] has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**"] means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**"] means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Sponsor**"] means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

**§ 4**  
**Redemption**

*[insert if either COSI or TCM is applicable:]*

**(1) Partial Redemption Amounts**

Subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, on the respective Partial Redemption Date<sub>(t)</sub> in each case a Partial Redemption (the "**Partial Redemption**") is made for the Product in the Settlement Currency in the amount of the Denomination multiplied by the Partial Redemption Factor [whereby the result is multiplied by the Current Exchange Rate Performance] (in each case the "**Partial Redemption Amount**").

[The Partial Redemption Amounts will be commercially rounded to two (2) decimal places.]

**(2) Minimum Redemption**

The total of the Partial Redemption Amounts per Product equals the Minimum Redemption Factor multiplied by the Denomination [whereby the result is multiplied by the Current Exchange Rate Performance] (the "**Minimum Redemption Amount**").

[The Minimum Redemption Amount will be commercially rounded to two (2) decimal places.]

**(3) Maximum Redemption**

The total of the Partial Redemption Amounts per Product is not greater than the Minimum Redemption Factor multiplied by the Denomination [whereby the result is multiplied by the Current Exchange Rate Performance] (the "**Maximum Redemption Amount**").]

[The Maximum Redemption Amount will be commercially rounded to two (2) decimal places.]

*[insert if neither COSI nor TCM is applicable:]*

**(1) Partial Redemption Amounts**

On the respective Partial Redemption Date<sub>(t)</sub> in each case a Partial Redemption (the "**Partial Redemption**") is made for the Product in the Settlement Currency in the amount of the Denomination multiplied by the Partial Redemption Factor [whereby the result is multiplied by the Current Exchange Rate Performance] (in each case the "**Partial Redemption Amount**").

[The Partial Redemption Amounts will be commercially rounded to two (2) decimal places.]

**(2) Minimum Redemption**

The total of the Partial Redemption Amounts per Product equals the Minimum Redemption Factor multiplied by the Denomination [whereby the result is multiplied by the Current Exchange Rate Performance] (the "**Minimum Redemption Amount**").

[The Minimum Redemption Amount will be commercially rounded to two (2) decimal places.]

**(3) Maximum Redemption**

The total of the Partial Redemption Amounts per Product is not greater than the Minimum Redemption Factor multiplied by the Denomination [whereby the result is multiplied by the Current Exchange Rate Performance] (the "**Maximum Redemption Amount**").]

[The Maximum Redemption Amount will be commercially rounded to two (2) decimal places.]

**§ 5**

**Interest, Coupon Payments**

**(1) Coupon Payments**

[The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the Issue Price [whereby the result is multiplied by the Current Exchange Rate Performance].] [Provided that on the relevant Coupon Observation Date<sub>(t)</sub> a Coupon Trigger Event has occurred, a Coupon payment shall be made for the Products on the relevant Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. The coupon rate (the "**Coupon Rate<sub>(t)</sub>**") relevant for the respective Coupon Observation Date<sub>(t)</sub> is the Coupon Rate for the relevant Coupon Payment Date specified in **Table 1** in the Annex. [If a Coupon Trigger Event has not occurred on a Coupon Observation Date, a coupon payment is not made for the Products on the applicable Coupon Payment Date.]

**(2) Coupon Amount**

The Coupon Amount (the "**Coupon Amount**") is determined by multiplying the Denomination by (i) the applicable Coupon Rate<sub>(t)</sub> for the relevant Coupon Payment Date and by (ii) N [whereby the result is multiplied by the Current Exchange Rate Performance].

"N" means in the case that

- (a) before the applicable Coupon Observation Date<sub>(t)</sub> no Coupon Trigger Event has occurred, the number of Coupon Observation Dates<sub>(t)</sub> from Coupon Observation Date<sub>(1)</sub> (inclusive) to, in each case, the applicable Coupon Observation Date<sub>(t)</sub> (inclusive), and in the case that
- (b) before the applicable Coupon Observation Date<sub>(t)</sub> a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates<sub>(t)</sub> between the Coupon Observation Date<sub>(t)</sub> (exclusive) on which the last Coupon Trigger Event has occurred and the applicable Coupon Observation Date<sub>(t)</sub> (inclusive) in each case.

The Coupon Amount will be commercially rounded to two (2) decimal places.]

**§ 6****(intentionally left blank)****§ 7****(intentionally left blank)****§ 8****Payments*****(1) Payments***

The Issuer shall cause the claimed Partial Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Partial Redemption Date<sub>(t)</sub>. The Issuer shall transfer the respective Coupon Amount in arrears by the Coupon Payment Date<sub>(t)</sub> via the Paying Agent to the Clearing System for transmitting to the Holders. If a Partial Redemption Date<sub>(t)</sub> or a Coupon Payment Date<sub>(t)</sub> falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date

on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) *Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) *Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

[insert in the case COSI is applicable:

**§ 10**

**Collateral Secured Instruments (COSI)**

**(1) *Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the

two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

**(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

**(3) Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [in relation to *[insert ISIN(s): ●]* [and]] [Method B: Bond Floor Method] [in relation to *[insert ISIN(s): ●]*] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

***(4) Distribution and market making***

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

***(5) Risks***

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 let-



ter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a

COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

**(10) Costs of liquidation and payout for the benefit of the investors**

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current

Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) *Liability***

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper

selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instruments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10**

**Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product

and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recov-

ery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entire-

ly until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation

Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[[insert in the case neither COSI nor TCM is applicable::*

**§ 10  
(intentionally left blank)]]**



[in the case of Certificates with Cash Settlement and with unconditional minimum redemption (Product No. 23), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) *Currency; Issue Size*

[Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.][ Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.]

#### (2) *Form*

[insert in the case of Swiss Uncertificated Securities:

##### (a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkun-*

*de*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot

as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss SIX SIS Bearer Securities:*

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

**(a) Bearer Securities**

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note

which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by

the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3**

**Definitions**

In these Conditions, unless the context otherwise requires, the following defined terms shall have the

meanings set out below:

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [and/or] [the respective Autocall Observation Date allocated to the relevant Early Redemption Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means [the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.] [the arithmetic mean of the [●] in [the Reference Currency] [●] for 1 unit of the [Settlement Currency] [●] [during the period from [●] to [●]] [on [●]], as determined by the Calculation Agent on the basis of the information published on the Exchange Rate Page or on any replacement page.]]

[insert in the case of a share as Underlying or Basket Component: "**Share Issuer**" means the company that has issued the [Underlying][Basket Component].]

["**Initial Fixing Level**" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["**Initial Fixing Period**" means the initial fixing period as specified in **Table 1** in the Annex.]

["**Number of Basket Component<sub>(i)</sub>**" [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Compo-



ment<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Denomination][Initial Basket Value] \* Initial Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] [below][above] the Barrier Level] [the [Price][Reference Price] [[of at least one][a] Basket Component] is [[equal to or] [below] [above] the Barrier Level][[equal to or][below] the Lower Barrier Level] [[equal to or][below] the Upper Barrier Level] at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate:* [the Final Basket Value is [[equal to or] [below] [above] the Barrier Level] [[equal to or][below] the Lower Barrier Level] [[equal to or][below] the Upper Barrier Level] as determined by the Calculation Agent] [the [Price][Reference Price][Basket Level] of the Basket is [equal to or] [below][above] the Barrier Level] [[equal to or][below] the Lower Barrier Level] [[equal to or][below] the Upper Barrier Level] during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price][Final Fixing Level] of [a][at least one] Basket Component is [[equal to or] [below] [above] the Barrier Level] [[equal to or][below] the Lower Barrier Level] [[equal to or][below] the Upper Barrier Level] for this Basket Component as specified in **Table 1**][**2**] in the Annex at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Business Day**" means

*[insert in the case of Products with Swiss Francs as Settlement Currency:* [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency:* [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [*insert principal financial centre for such currency:* ●].]

*[insert in the case of Products with Euro as Settlement Currency:* [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with US Dollar as Settlement Currency:* [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in

New York and Zurich.]

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: •]] [in the Business Centre(s)] [if no currency is indicated, insert: in each of the Business Centres].]*

["**Issue Price**"] means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**"] means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**"] means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**"] means the strike level as specified in **Table 1** in the Annex.]

["**Underlying**"] means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"] ["**Interest Rate**"] ["**Reference Rate**"]) *[insert in the case of a share as Underlying or Basket Component: as issued by the Share Issuer].]*

["**Underlying Valuation Date**"] means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Best Performance**"] means the best performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

["**Basket**"] means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**"] means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Basket Level**"] means the sum of the Levels of all Basket Components. The "**Level of a Basket Component**" on an Exchange Business Day means the Number of Basket Component<sub>(i)</sub> multiplied by the Reference Price of the relevant Basket Component on such date.]

["**Calculation Agent**"] means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**"] means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket*

Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Amount**" means the coupon amount as specified in **Table [1][3]** in the Annex [that is allocated to the respective Coupon Observation Date].]

["**Coupon Rate**" equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

["**Coupon Trigger Event**" has occurred if on a Coupon Observation Date the Reference Price [of all Basket Components] exceeds the [respective] Coupon Trigger Level relevant for such date.]

["**Coupon Trigger Level**" means the coupon trigger level as specified in **Table [1][3]** in the Annex [with respect to the relevant Basket Component].]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table [1][3]** in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.]]

["**Final Basket Value**" means the sum of the Final Levels of all Basket Components.]

["**Final Level of a Basket Component**" means the Final Fixing Level of the Basket Component multiplied by the [Number of Basket Component][Initial Weighting<sub>(i)</sub>]. Accordingly, the Final Level of a Basket Component will be calculated as follows:

$$\text{Final Level of a Basket Component} = Ff_{(i)} * W_{(i)}$$

whereby

"Ff<sub>(i)</sub>" means the Final Fixing Level of the Basket Component<sub>(i)</sub> and

"W<sub>(i)</sub>" means the [Number of Basket Component][Initial Weighting<sub>(i)</sub>].]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

["**Maximum Redemption Factor**" means the maximum redemption factor as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] *[insert Internet site: ●]* [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page

of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Minimum Redemption Factor**"] means the minimum redemption factor as specified in **Table 1** in the Annex.]

["**Denomination**"] means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Upper Barrier Level**"] means the upper barrier level as specified in **Table 1** in the Annex.]

["**Participation Factor**"] means the participation factor as specified in **Table 1** in the Annex.]

["**Rebate Coupon Amount**"] means the rebate coupon amount as specified in **Table 1** in the Annex.]

["**Rebate Coupon Rate**"] means the rebate coupon rate as specified in **Table 1** in the Annex.]

["**Reference Price**"] means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg][the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]]

["**Reference Currency**"] means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**"] means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**"] means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

["**TARGET2 System**"] means the Trans-European Automated Real-time Gross Settlement Express

Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [*●*] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### *(1) Redemption Amount*

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions [the [Issue Price][Denomination] multiplied by the Minimum Redemption Factor. [The result is multiplied by the Exchange Rate Performance.]] [the Redemption Amount specified in **Table [3]**[*if applicable, insert other table number: ●*] in the Annex depending on the Performance of the Basket Component with the Worst Performance, whereby the Redemption Amount is at least equal to the Minimum Redemption Amount pursuant to paragraph (2) and not greater than the Maximum Redemption Amount pursuant to paragraph (3). [The result is multiplied by the Exchange Rate Performance.] The "**Performance of the Basket Component**" equals the Final Fixing Level of the Basket Component divided by the Initial Fixing Level of the respective Basket Component.] [and subject to a Minimum Redemption pursuant to paragraph (2) the [Denomination][Issue Price] multiplied by the sum of [(A) the Min-

imum Redemption Factor and (B) the Participation Factor multiplied by the Final Basket Performance. The "**Final Basket Performance**" means the sum of the Performances of all Basket Components. "**Performance of a Basket Component**" means the Initial Weighting<sub>(i)</sub> multiplied by the difference between (A) the Strike Level and (B) the quotient of the Final Fixing Level and the Initial Fixing Level of the respective Basket Component] [(A) the Minimum Redemption Factor and (B) the Participation Factor multiplied by the difference between the Strike Level and the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] divided by the Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance].] [The result is multiplied by the Exchange Rate Performance.] [and subject to a Minimum Redemption pursuant to paragraph (2), (i) - in the case that the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] [Final Basket Value] is above its [Initial Fixing Level] [Initial Basket Value] - the [Issue Price][Denomination] or (ii) - in the case that the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] [Final Basket Value] is above its Strike Level, but at or below its [Initial Fixing Level][Initial Basket Value] - the [Issue Price][Denomination] multiplied by the [Performance of the Underlying] [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] divided by its Initial Fixing Level] [Final Basket Value divided by the Initial Basket Value]. [The respective result is multiplied by the Exchange Rate Performance.] [and subject to a Minimum Redemption pursuant to paragraph (2), (i) - in the case that a Barrier Event has not occurred and the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] [Final Basket Value] is equal to above its [Initial Fixing Level] [Initial Basket Value] - the [Denomination][Issue Price] multiplied by the [Performance of the Underlying] [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] divided by its Initial Fixing Level] [Final Basket Value divided by the Initial Basket Value]; or (ii) - in the case that a Barrier Event has not occurred and the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] [Final Basket Value] is below its [Initial Fixing Level] [Initial Basket Value] - the [Denomination][Issue Price] multiplied by the difference between (A) 200 % and the [Performance of the Underlying] [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] divided by its Initial Fixing Level] [Final Basket Value divided by the Initial Basket Value]. [The respective result is multiplied by the Exchange Rate Performance.] [The "**Performance of the Underlying**" equals the Final Fixing Level divided by the Initial Fixing Level.] [in the case that the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] is above its Strike Level and subject to a Minimum Redemption pursuant to paragraph (2), the Issue Price multiplied by the sum of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the quotient of (A) the difference between the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] and its Strike Level and (B) the Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]].] [The respective result is multiplied by the Exchange Rate Performance.] [and subject to a Minimum Redemption pursuant to paragraph (2), (i) - in the case that a Barrier Event has not occurred and the [Performance of the [Underlying] [Basket Component with the [Worst][Best] Performance]] [Final Basket Performance] is positive, the Issue Price multiplied by the sum of (A) the Minimum Redemption Factor and (B) the product of the Participation Factor and the [Performance of the [Underlying] [Basket Component with the [Worst] [Best] Performance]] [Final Basket Performance] or (ii) - in the case that a Barrier Event has occurred, the Issue Price multiplied by the Minimum Re-

demption Factor plus the Rebate Coupon Amount. [The respective result is multiplied by the Exchange Rate Performance.] [The "**Performance of the Underlying**" equals the Final Fixing Level divided by the Initial Fixing Level minus 1.] [The "**Performance of the Basket Component**" equals the Final Fixing Level of the Basket Component divided by the Initial Fixing Level of the respective Basket Component minus 1.] [The "**Final Basket Performance**" means the sum of the Performances of all Basket Components. "**Performance of a Basket Component**" means the Initial Weighting<sup>(i)</sup> multiplied by the Final Fixing Level of the Basket Component divided by the Initial Fixing Level of the respective Basket Component minus 1.]]

The Redemption Amount will be commercially rounded to two (2) decimal places.]

[

**(2) Minimum Redemption**

[The Redemption Amount equals at least the [Denomination][Issue Price] multiplied by the Minimum Redemption Factor [whereby the result is multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").][If the Final Basket Performance is zero or negative the Redemption Amount equals the [Denomination][Issue Price] multiplied by the Minimum Redemption Factor [whereby the result is multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").] [If [the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] [Final Basket Value] is at or below its Strike Level] [a Barrier Event has occurred] the Redemption Amount equals the [Issue Price][Denomination] multiplied by the Minimum Redemption Factor [whereby the result is multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").][If a Barrier Event has not occurred and the [Performance of the [Underlying] [Basket Component with the [Worst][Best] Performance]] [Final Basket Performance] is negative or zero (0) the Redemption Amount equals the Issue Price multiplied by the Minimum Redemption Factor (the "**Minimum Redemption Amount**").]

[The Minimum Redemption Amount will be commercially rounded to two (2) decimal places.]]

**[(3) Maximum Redemption**

The Redemption Amount equals no more that the [Denomination][Issue Price] multiplied by the Maximum Redemption Factor [whereby the result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").]

[The Maximum Redemption Amount will be commercially rounded to two (2) decimal places.]

*[insert if neither COSI nor TCM is applicable:*

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals [the [Issue Price][Denomination] multiplied by the Minimum Redemption Factor. [The result is multiplied by the Exchange Rate Performance.]] [the Redemption Amount specified in **Table [3]***[if applicable, insert other table number: •]* in the Annex depending on the Performance of the Basket Component with



the Worst Performance, whereby the Redemption Amount is at least equal to the Minimum Redemption Amount pursuant to paragraph (2) and not greater than the Maximum Redemption Amount pursuant to paragraph (3). [The result is multiplied by the Exchange Rate Performance.] The "**Performance of the Basket Component**" equals the Final Fixing Level of the Basket Component divided by the Initial Fixing Level of the respective Basket Component.], subject to a Minimum Redemption pursuant to paragraph (2), the [Denomination][Issue Price] multiplied by the sum of [(A) the Minimum Redemption Factor and (B) the Participation Factor multiplied by the Final Basket Performance. The "**Final Basket Performance**" means the sum of the Performances of all Basket Components. "**Performance of a Basket Component**" means the Initial Weighting<sup>(i)</sup> multiplied by the difference between (A) the Strike Level and (B) the quotient of the Final Fixing Level and the Initial Fixing Level of the respective Basket Component.] [(A) the Minimum Redemption Factor and (B) the Participation Factor multiplied by the difference between the Strike Level and the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] divided by the Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance].] [The result is multiplied by the Exchange Rate Performance.] [, subject to a Minimum Redemption pursuant to paragraph (2), (i) - in the case that the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] [Final Basket Value] is above its [Initial Fixing Level] [Initial Basket Value] - the [Issue Price][Denomination] or (ii) - in the case that the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] [Final Basket Value] is above its Strike Level, but at or below its [Initial Fixing Level][Initial Basket Value] - the [Issue Price][Denomination] multiplied by the [Performance of the Underlying] [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] divided by its Initial Fixing Level] [Final Basket Value divided by the Initial Basket Value]. [The respective result is multiplied by the Exchange Rate Performance.] [and subject to a Minimum Redemption pursuant to paragraph (2), (i) - in the case that a Barrier Event has not occurred and the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] [Final Basket Value] is equal to above its [Initial Fixing Level] [Initial Basket Value] - the [Denomination][Issue Price] multiplied by the [Performance of the Underlying] [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] divided by its Initial Fixing Level] [Final Basket Value divided by the Initial Basket Value]; or (ii) - in the case that a Barrier Event has not occurred and the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] [Final Basket Value] is below its [Initial Fixing Level] [Initial Basket Value] - the [Denomination][Issue Price] multiplied by the difference between (A) 200 % and the [Performance of the Underlying] [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] divided by its Initial Fixing Level] [Final Basket Value divided by the Initial Basket Value]. [The respective result is multiplied by the Exchange Rate Performance.] [The "**Performance of the Underlying**" equals the Final Fixing Level divided by the Initial Fixing Level.] [in the case that the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] is above its Strike Level and subject to a Minimum Redemption pursuant to paragraph (2), the Issue Price multiplied by the sum of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the quotient of (A) the difference between the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] and its Strike Level and (B) the Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]].] [The respective result is multiplied by the Exchange Rate Performance.] [and subject to

a Minimum Redemption pursuant to paragraph (2), (i) - in the case that a Barrier Event has not occurred and the [Performance of the [Underlying] [Basket Component with the [Worst][Best] Performance]] [Final Basket Performance] is positive, the Issue Price multiplied by the sum of (A) the Minimum Redemption Factor and (B) the product of the Participation Factor and the [Performance of the [Underlying] [Basket Component with the [Worst] [Best] Performance]] [Final Basket Performance] or (ii) - in the case that a Barrier Event has occurred, the Issue Price multiplied by the Minimum Redemption Factor plus the Rebate Coupon Amount. [The respective result is multiplied by the Exchange Rate Performance.] [The "**Performance of the Underlying**" equals the Final Fixing Level divided by the Initial Fixing Level minus 1.] [The "**Performance of the Basket Component**" equals the Final Fixing Level of the Basket Component divided by the Initial Fixing Level of the respective Basket Component minus 1.] [The "**Final Basket Performance**" means the sum of the Performances of all Basket Components. "**Performance of a Basket Component**" means the Initial Weighting<sub>(i)</sub> multiplied by the Final Fixing Level of the Basket Component divided by the Initial Fixing Level of the respective Basket Component minus 1.]]

The Redemption Amount will be commercially rounded to two (2) decimal places.]

[

**(2) Minimum Redemption**

[The Redemption Amount equals at least the [Denomination][Issue Price] multiplied by the Minimum Redemption Factor [whereby the result is multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").][If the Final Basket Performance is zero or negative the Redemption Amount equals the [Denomination] [Issue Price] multiplied by the Minimum Redemption Factor [whereby the result is multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").] [If [the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] [Final Basket Value] is at or below its Strike Level] [a Barrier Event has occurred] the Redemption Amount equals the [Issue Price][Denomination] multiplied by the Minimum Redemption Factor [whereby the result is multiplied by the Exchange Rate Performance] (the "**Minimum Redemption Amount**").][If a Barrier Event has not occurred and the [Performance of the [Underlying] [Basket Component with the [Worst][Best] Performance]] [Final Basket Performance] is negative or zero (0) the Redemption Amount equals the Issue Price multiplied by the Minimum Redemption Factor (the "**Minimum Redemption Amount**")..]

[The Minimum Redemption Amount will be commercially rounded to two (2) decimal places.]]

**[(3) Maximum Redemption**

The Redemption Amount equals no more that the [Denomination] [Issue Price] multiplied by the Maximum Redemption Factor [whereby the result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**")..]

[The Maximum Redemption Amount will be commercially rounded to two (2) decimal places.]

§ 5

**Interest, Coupon Payments**

[The Products bear no interest.] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the [Issue Price] [Denomination] [whereby the result is multiplied by the Current Exchange Rate Performance] (the "**Coupon Amount**").] [If a Coupon Trigger Event has occurred on a Coupon Observation Date, a coupon payment is made in the Settlement Currency for the products on the applicable Coupon Payment Date in the amount of the Coupon Amount [whereby the amount is multiplied by the Current Exchange Rate Performance].] [If a Coupon Trigger Event has not occurred on a Coupon Observation Date, a coupon payment is not made for the Products on the applicable Coupon Payment Date.]]

§ 6

**(intentionally left blank)**

§ 7

**(intentionally left blank)**

§ 8

**Payments**

**(1) Payments**

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. [The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders.]

If a Redemption Date [and/or Coupon Payment Date] falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

**(2) Declaration on Regulation S**

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

**(3) Taxes, Fees and Duties**

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be

borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

***(2) Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

***(3) Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:*

**§ 10**

**Collateral Secured Instruments (COSI)**

***(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The

Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

**(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

**(3) Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the

Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [in relation to *[insert ISIN(s): •]* [and]] [Method B: Bond Floor Method] [in relation to *[insert ISIN(s): •]*] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

#### **(4) Distribution and market making**

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

#### **(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization

zation is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a

private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its



COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for

a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instruments (COSI)"	
investor	Holder
issuer	Issuer
issuing condi-	Terms and Conditions, Conditions

ons

maturity Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

## § 10

### **Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

#### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for

selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and

shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

#### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

#### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("FISA") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

#### **Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:*

**§ 10**  
**(intentionally left blank)]**

[in the case of Capped Certificates with Cash Settlement and with unconditional minimum redemption (Product No. 24), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their



own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

**"Custody Agent"** is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:]*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:]*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:]*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3**

**Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]*

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor):  $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$ .] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

**"Business Day"** means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets set-*

tle payments in [*insert principal financial centre for such currency: ●*].]

[*insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[*insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[*insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [*insert currency: ●*]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value is equal to or below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of [a][at least one] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table 1**][**2**] in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]]*

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"] ["**Interest Rate**"] ["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component: , as issued by the Share Issuer.*]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the An-



nex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]*

["**Bonus Level**" means the bonus level as specified in **Table 1** in the Annex.]

["**Cap Level**" means the Cap Level as specified in **Table 1** in the Annex.]

["**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Rate**" equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table [1][3]** in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.][means the Final Basket Value on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Final Basket Value**" means the sum of the Final Levels of all Basket Components.]

["**Final Level of a Basket Component**" means the Final Fixing Level of the Basket Component multiplied by the [Number of Basket Component][Initial Weighting<sub>(i)</sub>]. Accordingly, the Final Level of a Basket Component will be calculated as follows:

$$\text{Final Level of a Basket Component} = Ff_{(i)} * W_{(i)}$$

whereby

"Ff<sub>(i)</sub>" means the Final Fixing Level of the Basket Component<sub>(i)</sub> and

"W<sub>(i)</sub>" means the [Number of Basket Component][Initial Weighting<sub>(i)</sub>].]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.*]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].*]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Minimum Redemption Factor**" means the minimum redemption factor as specified in **Table 1** in the Annex.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Participation Factor**" means the participation factor as specified in **Table 1** in the Annex.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### **(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the [Denomination][Issue Price] multiplied by the total of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the Performance of the [Underlying][Basket Component with the Worst Performance]. [The result is multiplied by the Exchange Rate Performance.]

[The "**Performance of the Underlying**" equals the quotient of (i) the difference between the Final Fixing Level and the Initial Fixing Level and (ii) the Initial Fixing Level.][The "**Performance of the Basket Component**" equals the quotient of (i) the difference between the Final Fixing Level and the Initial Fixing Level and (ii) the Initial Fixing Level of the respective Basket Component].

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.

**(2) Minimum Redemption**

[The Redemption Amount equals the [Denomination][Issue Price] multiplied by the Minimum Redemption Factor [whereby the result is multiplied by the Exchange Rate Performance] if the Final Fixing Level is at or below the Initial Fixing Level (the "**Minimum Redemption Amount**")][The Redemption Amount equals the [Denomination][Issue Price] multiplied by the Minimum Redemption Factor [whereby the result is multiplied by the Exchange Rate Performance] if the Final Fixing Level of the Basket Component with the Worst Performance is at or below the Initial Fixing Level (the "**Minimum Redemption Amount**")].

The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.

**(3) Maximum Redemption**

[The Redemption Amount equals the [Denomination][Issue Price] multiplied by the total of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the difference between the Cap Level and 100 per cent. [whereby the result is multiplied by the Exchange Rate Performance], if the Final Fixing Level exceeds the Initial Fixing Level multiplied by the Cap Level (the "**Maximum Redemption Amount**")][The Redemption Amount equals the [Denomination][Issue Price] multiplied by the total of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the difference between the Cap Level and 100 per cent. [whereby the result is multiplied by the Exchange Rate Performance], if the Final Fixing Level of the Basket Component with the Worst Performance exceeds the Initial Fixing Level multiplied by the Cap Level (the "**Maximum Redemption Amount**")].

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

**(4) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Ex-

change Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").*]]

[*insert if neither COSI nor TCM is applicable:*

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a Minimum Redemption pursuant to paragraph (2) and a Maximum Redemption pursuant to paragraph (3), the [Denomination][Issue Price] multiplied by the total of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the Performance of the [Underlying][Basket Component with the Worst Performance]. [The result is multiplied by the Exchange Rate Performance.]

[The "**Performance of the Underlying**" equals the quotient of (i) the difference between the Final Fixing Level and the Initial Fixing Level and (ii) the Initial Fixing Level][The "**Performance of the Basket Component**" equals the quotient of (i) the difference between the Final Fixing Level and the Initial Fixing Level and (ii) the Initial Fixing Level of the respective Basket Component].

The Redemption Amount will be [*insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and]* commercially rounded to two (2) decimal places.

**(2) Minimum Redemption**

[The Redemption Amount equals the [Denomination][Issue Price] multiplied by the Minimum Redemption Factor [whereby the result is multiplied by the Exchange Rate Performance] if the Final Fixing Level is at or below the Initial Fixing Level (the "**Minimum Redemption Amount**")][The Redemption Amount equals the [Denomination][Issue Price] multiplied by the Minimum Redemption Factor [whereby the result is multiplied by the Exchange Rate Performance] if the Final Fixing Level of the Basket Component with the Worst Performance is at or below the Initial Fixing Level (the "**Minimum Redemption Amount**")].

The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and]* commercially rounded to two (2) decimal places.

**(3) Maximum Redemption**

[The Redemption Amount equals the [Denomination][Issue Price] multiplied by the total of (i) the

Minimum Redemption Factor and (ii) the Participation Factor multiplied by the difference between the Cap Level and 100 per cent. [whereby the result is multiplied by the Exchange Rate Performance], if the Final Fixing Level exceeds the Initial Fixing Level multiplied by the Cap Level (the "**Maximum Redemption Amount**")][The Redemption Amount equals the [Denomination][Issue Price] multiplied by the total of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the difference between the Cap Level and 100 per cent. [whereby the result is multiplied by the Exchange Rate Performance], if the Final Fixing Level of the Basket Component with the Worst Performance exceeds the Initial Fixing Level multiplied by the Cap Level (the "**Maximum Redemption Amount**")].

The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

**(4) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]

**§ 5**

**Interest, Coupon Payments**

[The Products bear no interest.] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the Issue Price [whereby the result is multiplied by the Current Exchange Rate Performance] (the "**Coupon Amount**").]

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments**

***(1) Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. [The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders.]

If a Redemption Date [and/or Coupon Payment Date] falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date



on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

***(2) Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

***(3) Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:*

**§ 10**

**Collateral Secured Instruments (COSI)**

***(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the

two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

**(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

**(3) Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

***(4) Distribution and market making***

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

***(5) Risks***

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 let-

ter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a

COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

*(10) Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current

Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) *Liability***

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper

selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instruments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10**

**Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product

and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recov-



ery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entire-

ly until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation

Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:*

**§ 10**  
**(intentionally left blank)]**

[in the case of *Inverse Bonus Certificates with Cash Settlement (Product No. 25)*, insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) *Currency; Issue Size*

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) *Form*

[insert in the case of *Swiss Uncertificated Securities*:

#### (a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*



**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2****Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3****Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]*

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor):  $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$ .] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

**"Business Day"** means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets set-*

tle payments in [*insert principal financial centre for such currency: •*].]

[*insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[*insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[*insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [*insert currency: •*]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**" means the strike level as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].]][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] [*insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]*]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] above the Barrier Level] [the [Price][Reference Price] is [equal to or] above the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value is equal to or above the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or above the Barrier Level during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of [a][at least*

one] Basket Component is [equal to or] above the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]["**Interest Rate**"]["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component:*, as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Best Performance**" means [the best performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]]]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component:* "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Bonus Level**" means the bonus level as specified in **Table 1** in the Annex.]

["**Cap Level**" means the cap level as specified in **Table 1** in the Annex.]

["**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket

Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Rate**" equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1**][**3**] in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.][the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period:* In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component:* "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined

[and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as deter-

mined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][insert other currency: ●] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][insert other currency: ●] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][insert other currency: ●] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][insert other currency: ●] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### *(1) Redemption Amount*

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the product of the Issue Price and the quotient of (i) the difference between the Cap Level and the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] and (ii) the Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]. [The result is multiplied by the Exchange Rate Performance.]

The Redemption Amount will be *[insert if Currency Conversion is applicable:* converted into the Set-



tlement Currency in accordance with paragraph (3), as the case may be, and] commercially rounded to two (2) decimal places.

**(2) Minimum Redemption**

Provided that no Barrier Event has occurred, the Redemption Amount will be determined as follows [whereby the result is multiplied by the Exchange Rate Performance]:

- (i) if the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] is below the Strike Level [of the Basket Component with the [Worst][Best] Performance], the Redemption Amount is equal to the product of the Issue Price and the quotient of (i) the difference between the Cap Level and the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] and (ii) the Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]; or
- (ii) if the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] is equal to or above the Strike Level [of the Basket Component with the [Worst][Best] Performance] the Redemption Amount is equal to the Issue Price multiplied by the Bonus Level.

The Redemption Amount determined in accordance with this paragraph (2) will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

**(3) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

[*insert if neither COSI nor TCM is applicable*:

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to a redemption pursuant to paragraph (2) the product of the Issue Price and the quotient of (i) the difference between

the Cap Level and the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] and (ii) the Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]. [The result is multiplied by the Exchange Rate Performance.]

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and] commercially rounded to two (2) decimal places.

**(2) Minimum Redemption**

Provided that no Barrier Event has occurred, the Redemption Amount will be determined as follows [whereby the result is multiplied by the Exchange Rate Performance]:

(i) if the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] is below the Strike Level [of the Basket Component with the [Worst][Best] Performance], the Redemption Amount is equal to the product of the Issue Price and the quotient of (i) the difference between the Cap Level and the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] and (ii) the Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]; or

(ii) if the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] is equal to or above the Strike Level [of the Basket Component with the [Worst][Best] Performance] the Redemption Amount is equal to the Issue Price multiplied by the Bonus Level.

The Redemption Amount determined in accordance with this paragraph (2) will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

**(3) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

**§ 5**

**Interest, Coupon Payments**

[The Products bear no interest.] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the Issue Price [whereby the result is multiplied by the Current Exchange Rate Performance] (the "**Coupon Amount**").]

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments**

***(1) Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. [The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders.]

If the Redemption Date [and/or Coupon Payment Date] falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

**(1) Termination Right of Issuer**

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) Transfer of the Redemption Amount in case of termination**

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) Taxes, fees or other duties**

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:]*

**§ 10**

**Collateral Secured Instruments (COSI)**

**(1) Collateralization of the Product**

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral

is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

### ***(2) Documentation***

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

### ***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange

AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

#### *(4) Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

#### *(5) Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of



net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current

Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instruments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

## § 10

### Triparty Collateral Management (TCM)

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

#### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding

TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

**Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("FISA") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10**  
**(intentionally left blank)]**

[in the case of Capped Inverse Bonus Certificates with Cash Settlement (Product No. 26), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or



transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3**

**Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]*

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor):  $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$  [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

**"Business Day"** means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets set-*

tle payments in [*insert principal financial centre for such currency: •*].]

[*insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

[*insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

[*insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [*insert currency: •*]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**" means the strike level as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].]][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] [*insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]*]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] above the Barrier Level] [the [Price][Reference Price] is [equal to or] above the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value is equal to or above the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or above the Barrier Level during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of [a][at least*



one] Basket Component is [equal to or] above the Barrier Level for this Basket Component as specified in **Table [1][2]** in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]["**Interest Rate**"]["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component*., as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Best Performance**" means the best performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Bonus Level**" means the bonus level as specified in **Table 1** in the Annex.]

["**Cap Level**" means the cap level as specified in **Table 1** in the Annex.]

["**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket

Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Rate**" equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1**][**3**] in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period:* In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component:* "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined

[and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as deter-

mined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding [Initial Fixing Level][Strike Level].]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### ***(1) Redemption Amount***

The "**Redemption Amount**" in the Settlement Currency per Product [is equal to the product of the [Initial Fixing Level] [of the Basket Component with the [Worst][Best] Performance] [Issue Price] and the quotient of (i) the difference between the Cap Level and the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] and (ii) the Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance], subject to a redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions]

[will be determined, subject to a redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions as follows:

- (i) if a Barrier Event has occurred and the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] is equal to or above the Strike Level [of the Basket Component with the [Worst][Best] Performance], the Redemption Amount is equal to the product of the [Initial Fixing Level] [of the Basket Component with the [Worst][Best] Performance] [Issue Price] and the quotient of (i) the difference between the Cap Level and the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] and (ii) the Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance];
- (ii) if a Barrier Event has occurred and the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] is below the Strike Level [of the Basket Component with the [Worst][Best] Performance], the Redemption Amount is equal to the [Initial Fixing Level] [of the Basket Component with the [Worst][Best] Performance] [Issue Price] multiplied by the Bonus Level.]

[The [respective] result is multiplied by the Exchange Rate Performance.] The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and]* commercially rounded to two (2) decimal places.

**(2) Minimum Redemption and/or Maximum Redemption**

Provided that no Barrier Event has occurred, the Redemption Amount equals the Bonus Level multiplied by the [Initial Fixing Level] [of the Basket Component with the [Worst][Best] Performance] [Issue Price] [whereby the result is multiplied by the Exchange Rate Performance].

The Redemption Amount determined in accordance with paragraph (2) will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (3) and]* commercially rounded to two (2) decimal places.

*[insert if Currency Conversion is applicable:*

**(3) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable*

market practice and considering the prevailing market conditions in its reasonable discretion.]]*insert if Quanto is applicable:* at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

*insert if neither COSI nor TCM is applicable:*

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product [is equal to the product of the [Initial Fixing Level] [of the Basket Component with the [Worst][Best] Performance] [Issue Price] and the quotient of (i) the difference between the Cap Level and the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] and (ii) the Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance], subject to a redemption pursuant to paragraph (2)] [will be determined, subject to a redemption pursuant to paragraph (2) as follows:

- (i) if a Barrier Event has occurred and the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] is equal to or above the Strike Level [of the Basket Component with the [Worst][Best] Performance], the Redemption Amount is equal to the product of the [Initial Fixing Level] [of the Basket Component with the [Worst][Best] Performance] [Issue Price] and the quotient of (i) the difference between the Cap Level and the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] and (ii) the Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance];
- (ii) if a Barrier Event has occurred and the Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] is below the Strike Level [of the Basket Component with the [Worst][Best] Performance], the Redemption Amount is equal to the [Initial Fixing Level] [of the Basket Component with the [Worst][Best] Performance] [Issue Price] multiplied by the Bonus Level.]

[The [respective] result is multiplied by the Exchange Rate Performance.] The Redemption Amount will be *insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (3), as the case may be, and] commercially rounded to two (2) decimal places.

**(2) Minimum Redemption and/or Maximum Redemption**

Provided that no Barrier Event has occurred, the Redemption Amount equals the Bonus Level multiplied by the [Initial Fixing Level] [of the Basket Component with the [Worst][Best] Performance] [Issue Price] [whereby the result is multiplied by the Exchange Rate Performance].

The Redemption Amount determined in accordance with paragraph (2) will be *insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.

*insert if Currency Conversion is applicable:*

**(3) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.*][*insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").*]

**§ 5**

**Interest, Coupon Payments**

[The Products bear no interest.] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the Issue Price [whereby the result is multiplied by the Current Exchange Rate Performance] (the "Coupon Amount").]

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments**

**(1) Payments**

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. [The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders.]

If the Redemption Date [and/or Coupon Payment Date] falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

**(2) Declaration on Regulation S**

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

**(3) Taxes, Fees and Duties**

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

**(1) Termination Right of Issuer**

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) Transfer of the Redemption Amount in case of termination**

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) Taxes, fees or other duties**

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]



*[insert in the case COSI is applicable:]*

## **§ 10**

### **Collateral Secured Instruments (COSI)**

#### ***(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

#### ***(2) Documentation***

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

#### ***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the CO-

SI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

#### **(4) Distribution and market making**

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

#### **(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the col-

lateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collat-

eral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on

which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) *Liability***

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) *No authorisation***

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) *Congruence with the Conditions***

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instru-	

ments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

## § 10

### **Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

#### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**").

The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current



Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

#### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up

proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

#### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

#### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

#### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

#### **Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Prod-

## V. TERMS AND CONDITIONS

uct will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10**  
**(intentionally left blank)]**

[in the case of *Mini Future Certificates with Cash Settlement (Product No. 27)*, insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) *Currency; Issue Size*

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) *Form*

[insert in the case of *Swiss Uncertificated Securities*:

#### (a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*



**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3**

**Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the day of the occurrence of the Stop-Loss Event [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer"* means the company that has issued the [Underlying][Basket Component].]

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Adjustment Date"** means the *[insert relevant date for adjustment of Futures Contract]*. [If such date should not be an Exchange Business Day the next following Exchange Business Day shall be the Adjustment Date.] [If such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] shall be the Adjustment Date.]]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor):  $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$  [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

**"Business Day"** means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)]* a day (other than a Saturday or Sunday) on which (i) the

Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]*

*[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]*

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

["**Issue Price**"] means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**"] means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**"] means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**"] [means the strike level as specified in **Table 1** in the Annex.] [on the [*insert relevant date: ●*] is the strike level as specified in **Table 1** in the Annex. On each Adjustment Date the Strike Level shall be adjusted [at [*insert relevant time: ●*], such that the result of the following calculation ([rounded up][rounded down] to the [*insert relevant rounding value: ●*]) shall be the new Strike Level (the "**Current Strike Level**")]:

*[insert in the case of Mini Future Long Certificates:*

$$\text{Strike Level}_{\text{new}} = \text{Strike Level}_{\text{old}} - \text{Price}_{\text{old,t}} + \text{Price}_{\text{new,t}}$$

*[insert in the case of Mini Future Short Certificates:*

$$\text{Strike Level}_{\text{new}} = \text{Strike Level}_{\text{old}} - \text{Price}_{\text{old,t}} + \text{Price}_{\text{new,t}}$$

whereby:

Strike Level<sub>new</sub>: means the Strike Level immediately after the adjustment measure.

Strike Level<sub>old</sub>: means the Strike Level immediately prior to the adjustment measure.

Price<sub>old,t</sub>: means the execution level or a combination of execution levels on the Adjustment Date of the Underlying to be divested as determined by the Calculation Agent.

Price<sub>new,t</sub>: means the execution level or a combination of execution levels on the Adjustment Date of the Underlying to be invested as determined by the Calculation Agent.]]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Current][Strike Level].]][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Current][Strike Level] of the respective Basket Component.]] *[insert for Quanto products:* [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]["**Interest Rate**"]["**Reference Rate**"]) *[insert in the case of a share as Underlying or Basket Component:*, as issued by the Share Issuer]. [The relevant Futures Contract shall be replaced on each Adjustment Date with a Futures Contract for which the expiration date falls in the nearest front-months futures contract. Each reference in the Conditions to "Futures Contract" is regarded as a reference to the futures contract that is relevant at the applicable time following completion of the replacement outlined in the definitions of "Strike Level" and "Stop-Loss Level".]]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component:* "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its

reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.*]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement

page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg][the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

["**Stop-Loss Observation Period**" means the stop-loss observation period as specified in **Table 1** in the Annex.]

["**Stop-Loss Event**" has occurred if [the Final Fixing Level is [equal to or] [below] [above] the [Current] Stop-Loss Level] [the [Price][Reference Price] is [equal to or] [below] [above] the [Current] Stop-Loss Level at any time during the Stop-Loss Observation Period] [*insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value [equals] [or] [is] below] [above] the Stop-Loss Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is [equal to or] [below] [above] the [Current] Stop-Loss Level during the Stop-Loss Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] of a Basket Component is [equal to or] [below] [above] the [Current] Stop-Loss Level for this Basket Component as specified in **Table***

[1][2] in the Annex at any time during the Stop-Loss Observation Period], as determined by the Calculation Agent.]]

["**Stop-Loss Level**"] [means the stop-loss level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].] [on the [insert relevant date: ●] is the stop-loss level as specified in **Table 1** in the Annex. On each Adjustment Date the Stop-Loss Level shall be adjusted [at [insert relevant time: ●], such that the result of the following calculation ([rounded up][rounded down] to the [insert relevant rounding value: ●]) shall be the new Stop-Loss Level (the "**Current Stop-Loss Level**")]:

[insert in the case of Mini Future Long Certificates:

$$\text{Stop-Loss Level}_{\text{new}} = \text{Stop-Loss Level}_{\text{old}} - \text{Price}_{\text{old,t}} + \text{Price}_{\text{new,t}}$$

[insert in the case of Mini Future Short Certificates:

$$\text{Stop-Loss Level}_{\text{new}} = \text{Stop-Loss Level}_{\text{old}} - \text{Price}_{\text{old,t}} + \text{Price}_{\text{new,t}}$$

whereby:

Stop-Loss Level<sub>new</sub>: means the Stop-Loss Level immediately after the adjustment measure.

Stop-Loss Level<sub>old</sub>: means the Stop-Loss Level immediately prior to the adjustment measure.

Price<sub>old,t</sub>: means the execution level or a combination of execution levels on the Adjustment Date of the Underlying to be divested as determined by the Calculation Agent.

Price<sub>new,t</sub>: means the execution level or a combination of execution levels on the Adjustment Date of the Underlying to be invested as determined by the Calculation Agent.]]

["**Stop-Loss Price**"] means a price of the Underlying as determined by the Issuer and/or the Calculation Agent within [three (3)] [●] hours following the occurrence of the Stop-Loss Event. If the Stop-Loss Event occurs within a shorter period than [three (3)] [●] prior to the end of the Calculation Hours on an Exchange Business Day, the period for determining the Stop-Loss Price for the Underlying is extended until the expiration of [two (2)] [●] hours to the immediately following Exchange Business Day. ["**Calculation Hours**"] means [insert definition for calculation hours: [●].]]

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

["**Final Fixing Date**"] means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**"] has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**"] means the Website as specified in **Table 1** in the Annex.]



["**Exchange Rate Page**"] means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Business Day**"] [has the meaning ascribed in § 11 (3) of the Issue Specific Conditions] [•].]

["**Exchange Rate Performance**"] means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: •*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: •*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: •*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: •*] which is published on the [Initial Fixing Date] [•] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**"] means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**"] means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

[*insert if either COSI or TCM is applicable:*

##### (1) *Redemption Amount*

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an early redemption pursuant to § 7 of the Issue Specific Conditions in the case of the occurrence of a Stop-Loss Event or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Product of [*insert in the case of Mini Future Long Certificates:* (i) the Conversion Ratio and (ii) the difference between the Final Fixing Level and the [Current] Strike Level] [*insert in the case of Mini Future Short Certificates:* (i) the Conversion Ratio and (ii) the difference between the [Current] Strike Level and the Final Fixing Level]. [The result is multiplied by the Exchange Rate Performance.] The Redemption Amount is at least zero.

The Redemption Amount will be [*insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable:*

##### (1) *Currency exchange*

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable:* on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Ex-

change Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").*]]

[*insert if neither COSI nor TCM is applicable:*

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an early redemption pursuant to § 7 of the Issue Specific Conditions in the case of the occurrence of a Stop-Loss Event, the Product of [*insert in the case of Mini Future Long Certificates: (i) the Conversion Ratio and (ii) the difference between the Final Fixing Level and the [Current] Strike Level*] [*insert in the case of Mini Future Short Certificates: (i) the Conversion Ratio and (ii) the difference between the [Current] Strike Level and the Final Fixing Level*]. [The result is multiplied by the Exchange Rate Performance.] The Redemption Amount is at least zero.

The Redemption Amount will be [*insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and*] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable:*

**(2) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.*][*insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").*]]

§ 5

**Interest, Coupon Payments**

The Products bear no interest.

§ 6

**(intentionally left blank)**

§ 7

**Early redemption in the case of the occurrence of a Stop-Loss Event**

In the event that a Stop-Loss Event has occurred, the term of the Products shall end automatically on the day of the occurrence of the Stop-Loss Event without the need for a separate termination of the Products by the Issuer (the "**Early Redemption**"). In this case the Redemption Amount to be paid by the Issuer equals the product of [*insert in the case of Mini Future Long Certificates: (i) the Conversion Ratio and (ii) the difference between the Stop-Loss Price and the [Current] Strike Level*] [*insert in the case of Mini Future Short Certificates: (i) the Conversion Ratio and (ii) the difference between the [Current] Strike Level and the Stop-Loss Price*] [whereby the result is multiplied by the Current Exchange Rate Performance]. The Redemption Amount is at least zero.

§ 8

**Payments**

**(1) Payments**

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

**(2) Declaration on Regulation S**

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

**(3) Taxes, Fees and Duties**

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

***(2) Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

***(3) Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:]*

**§ 10**

**Collateral Secured Instruments (COSI)**

***(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral

is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

### ***(2) Documentation***

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

### ***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange

AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

#### *(4) Distribution and market making*

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

#### *(5) Risks*

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of



net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current

Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instruments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

## § 10

### Triparty Collateral Management (TCM)

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

#### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding

TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

**Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("FISA") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:*

**§ 10**  
**(intentionally left blank)]**

[in the case of Inverse Express Certificates with Cash Settlement (Product No. 28), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:]*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:]*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:]*



During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer or an early redemption [insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated] [insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions].

**§ 2****Status of the Products**

[insert in the case neither COSI nor TCM is applicable:

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[insert in the case either COSI or TCM is applicable:

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3****Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [and/or] [the respective Autocall Observation Date allocated to the relevant Early Redemption Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the

Exchange Rate Page or on any replacement page.]

[insert in the case of a share as Underlying or Basket Component: "**Share Issuer**" means the company that has issued the [Underlying][Basket Component].]

["**Initial Fixing Level**" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [the lowest Reference Price of the [Underlying][respective Basket Component] during the Initial Fixing Observation Dates, as determined by the Calculation Agent] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["**Initial Fixing Observation Dates**" means the initial fixing observation dates as specified in **Table 1** in the Annex.]

["**Initial Fixing Period**" means the initial fixing period as specified in **Table 1** in the Annex.]

["**Initial Basket Value**" means the initial basket value as specified in **Table 1** in the Annex.]

["**Number of Basket Component<sub>(i)</sub>**" [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Issue Price][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Issue Price][Initial Basket Value] \* Initial Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex].]

["**Business Day**" means

[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the

Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]*

*[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]*

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

["**Issue Price**"] means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**"] means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**"] means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**"] means the strike level as specified in **Table 1** in the Annex.]

["**Conversion Ratio**"] means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].]][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] *[insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]]*

["**Autocall Observation Date**"] means [each of the autocall observation dates as specified in **Table 3** in the Annex or, if such date is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in relation to the relevant Basket

Component]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Autocall Observation Date [in respect of one or more Basket Components], the relevant Autocall Observation Date [in relation to the relevant Basket Component] shall be postponed accordingly.]]

["**Autocall Event**" has occurred if on an Autocall Observation Date the Reference Price [of all Basket Components] falls below the [respective] Autocall Trigger Level relevant for such date.]

["**Autocall Trigger Level**" means the Autocall Trigger Level in respect of the relevant Autocall Observation Date [with respect to the relevant Basket Component] as specified in **Table 3** in the Annex.]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] above the Barrier Level] [the [Price][Reference Price] is [equal to or] above the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate:* [the Final Basket Value is equal to or above the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is at or above the Barrier Level during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of [a][at least one] Basket Component is [equal to or] above the Barrier Level for this Basket Component as specified in **Table 1][2]** in the Annex [at any time during the Barrier Observation Period]], as determined by the Calculation Agent.]]]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] [*insert in the case of a Basket as Underlying if appropriate:* [the Final Basket Value is equal to or below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of [a][at least one] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table 1][2]** in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]]

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]["**Interest Rate**"]["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component*., as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Best Performance**" means the best performance of the relevant Basket Components as determined



by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "Exchange" means*, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Amount**" means the coupon amount as specified in **Table [1][3]** in the Annex.]

["**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table [1][3]** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Rate**" equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [•]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

["**Coupon Trigger Event**" has occurred if on a Coupon Observation Date the Reference Price [of all Basket Components] falls below the [respective] Coupon Trigger Level relevant for such date.]

["**Coupon Trigger Level**" means the coupon trigger level as specified in **Table [1][3]** in the Annex [with respect to the relevant Basket Component].]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1**[**3**] in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.]]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "Index Sponsor"**"** means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]*

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] *[insert Internet site: ●]* [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component] means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate

sponsor on the designated Exchange Rate Page [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service [insert other method for determining Relevant Exchange Rate: ●]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Reference Amount**"] means the reference amount as specified in **Table 1** in the Annex.]

["**Reference Price**"] means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [insert currency: ●]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg][the Screen Page] [●] [insert Internet site: ●] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**"] means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**"] means, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**"] means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**"] means the final fixing date as specified in **Table 1** in the Annex or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Early Redemption Date**" means each of the early redemption dates as specified in **Table 3** in the Annex or, if an Early Redemption Date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Autocall Observation Date, the relevant Early Redemption Date shall be postponed accordingly.]]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### **(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions and a Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph (3) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions the [Issue Price][Reference Amount] multiplied by the difference between 200% and the [Performance of the Underlying][Performance of the Basket Component with the [Worst][Best] Performance]. [The result is multiplied by the Exchange Rate Performance.] The Redemption Amount is at least zero.

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the [Initial Fixing Level][Strike Level] (divisor).] [The "**Performance of the Basket Component**" equals the quotient of the Final Fixing Level (dividend) and the [Initial Fixing Level][Strike Level] (divisor) of the relevant Basket Component.]

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Set-*

tlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.

**(2) Minimum Redemption**

Provided that [(i)] no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level [of the Basket Component with the [Worst] [Best] Performance] is below [the][its] [Initial Fixing Level][Strike Level]] the Redemption Amount equals the [Issue Price][Reference Amount] [multiplied by the Exchange Rate Performance]. [The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.]

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the [Issue Price][Reference Amount] [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.]

[*insert if Currency Conversion is applicable*:

**(4) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]

[*insert if neither COSI nor TCM is applicable*:

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions and a Minimum Redemption pursuant to paragraph (2) which simultaneously equals the Maximum Redemption Amount pursuant to paragraph

(3), the [Issue Price][Reference Amount] multiplied by the difference between 200% and the [Performance of the Underlying][Performance of the Basket Component with the [Worst][Best] Performance]. [The result is multiplied by the Exchange Rate Performance.] The Redemption Amount is at least zero.

[The "**Performance of the Underlying**" equals the quotient of the Final Fixing Level (dividend) and the [Initial Fixing Level][Strike Level] (divisor).] [The "**Performance of the Basket Component**" equals the quotient of the Final Fixing Level (dividend) and the [Initial Fixing Level][Strike Level] (divisor) of the relevant Basket Component.]

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.

**(2) Minimum Redemption**

Provided that [(i) no Barrier Event has occurred [or (ii) a Barrier Event has occurred and the Final Fixing Level [of the Basket Component with the [Worst] [Best] Performance] is below [the][its] [Initial Fixing Level][Strike Level]] the Redemption Amount equals the [Issue Price][Reference Amount] [multiplied by the Exchange Rate Performance].

[The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4), as the case may be, and] commercially rounded to two (2) decimal places.]

**(3) Maximum Redemption**

The Redemption Amount per Product equals no more than the [Issue Price][Reference Amount] [multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").

[The Maximum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (4) and] commercially rounded to two (2) decimal places.]

[*insert if Currency Conversion is applicable*:

**(4) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way

mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion. *[[insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]]*

## § 5

### Interest, Coupon Payments

#### *[(1) Coupon Payments]*

[[If a Coupon Trigger Event has occurred on a Coupon Observation Date, a coupon payment is made in the Settlement Currency for the products on the applicable Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance].] [If a Coupon Trigger Event has not occurred on a Coupon Observation Date, a coupon payment is not made for the Products on the applicable Coupon Payment Date.] [The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount. The Coupon Amount equals the Coupon Rate multiplied by the [Issue Price][Reference Amount] [whereby the result is multiplied by the Current Exchange Rate Performance].] [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] [If a Coupon Trigger Event has not occurred and [no Barrier Event has occurred][the Final Fixing Level is above [the Strike Level][●% of the Initial Fixing Level]], the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance].][The Holder receives a coupon payment on the respective Coupon Payment Date in the amount of the Coupon Amount specified for the applicable Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. [Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] In the case of a redemption at the end of the term, the Holder receives a coupon payment on the final Coupon Payment Date in the amount of the Coupon Amount specified for the final Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance].][Provided that on the relevant Coupon Observation Date a Coupon Trigger Event has occurred, a Coupon payment shall be made for the Products on the relevant Coupon Payment Date [whereby the amount is multiplied by the Current Exchange Rate Performance]. The coupon rate (the "**Coupon Rate**") relevant for the respective Coupon Observation Date is the Coupon Rate for the relevant Coupon Payment Date specified in **Table 3** in the Annex. [If a Coupon Trigger Event has not occurred on a Coupon Observation Date, a coupon payment is not made for the Products on the applicable Coupon Payment Date.]

#### *[(2) Coupon Amount]*

The Coupon Amount (the "**Coupon Amount**") is determined by multiplying the [Issue Price][Reference Amount] by (i) the applicable Coupon Rate for the relevant Coupon Payment Date [and by (ii) N [whereby the result is multiplied by the Current Exchange Rate Performance].

"N" means [in the case that

- (a) before the applicable Coupon Observation Date<sub>(t)</sub> no Coupon Trigger Event has occurred, the number of Coupon Observation Dates<sub>(t)</sub> from Coupon Observation Date<sub>(1)</sub> (inclusive) to, in each case, the applicable Coupon Observation Date<sub>(t)</sub> (inclusive), and in the case that
- (b) before the applicable Coupon Observation Date<sub>(t)</sub> a Coupon Trigger Event has already occurred, the number of Coupon Observation Dates<sub>(t)</sub> between the Coupon Observation Date<sub>(t)</sub> (exclusive) on which the last Coupon Trigger Event has occurred and the applicable Coupon Observation Date<sub>(t)</sub> (inclusive) in each case.] [the number of Coupon Observation Dates<sub>(t)</sub> from Coupon Observation Date<sub>(1)</sub> (inclusive) to the relevant Coupon Observation Date on which a Coupon Trigger Event has occurred.]]

[Following an Early Redemption pursuant to § 7 of the Issue Specific Conditions, no further coupon payments are made.] The Coupon Amount will be commercially rounded to two (2) decimal places.]

**§ 6**

**(intentionally left blank)**

**§ 7**

**Early Redemption**

***(1) Conditions precedent for Early Redemption***

In the event that on any Autocall Observation Date an Autocall Event has occurred, the term of the Products shall end automatically on this Autocall Observation Date without the need for a separate termination of the Products by the Issuer (the "**Early Redemption**"). In this case the Redemption Amount to be paid by the Issuer equals the [Issue Price][Reference Amount] [multiplied by the Current Exchange Rate Performance].

***(2) Notification of Early Redemption***

Notice of the occurrence of Early Redemption and the value of the Redemption Amount to be paid per Product in this case shall be published in accordance with § 4 of the General Conditions.

**§ 8**

**Payments**

***(1) Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Early Redemption Date (in the case of an Early Redemption pursuant to § 7 of the Issue Specific Conditions) and/or the Redemption Date (in the case that no Early Redemption has occurred). The Issuer shall transfer the respective Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Early Redemption Date, the Redemption Date or a Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments



due to the deferment, nor must they accept a reduction in interest due to the deferment.

**(2) Declaration on Regulation S**

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

**(3) Taxes, Fees and Duties**

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

**(1) Termination Right of Issuer**

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) Transfer of the Redemption Amount in case of termination**

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) Taxes, fees or other duties**

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may

withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:]*

**§ 10**

**Collateral Secured Instruments (COSI)**

***(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

## **(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

## **(3) Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

## **(4) Distribution and market making**

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is

obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

**(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

**(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing

conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

*(10) Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, con-

vert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) *Liability***

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instruments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10**

**Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of



the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured

Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the

risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

### **Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10**  
**(intentionally left blank)]**

[in the case of Warrants with Cash Settlement (Product No. 29), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Ver-*

*wahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss Euroclear Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or simi-



lar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depositary on behalf of the Clearing System in

accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised

by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

### § 3

#### Definitions

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

[insert in the case of a share as Underlying or Basket Component: "**Share Issuer**" means the company that has issued the [Underlying][Basket Component].]

["**Initial Fixing Level**" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["**Initial Fixing Period**" means the initial fixing period as specified in **Table 1** in the Annex.]

["**Initial Basket Value**" means the initial basket value as specified in **Table 1** in the Annex.]

["**Number of Basket Component<sub>(i)</sub>**" [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Denomination][Initial Basket Value] \* Initial

Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex].]

["**Business Day**" means

*[insert in the case of Products with Swiss Francs as Settlement Currency:* [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency:* [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in *[insert principal financial centre for such currency: ●]*.)]

*[insert in the case of Products with Euro as Settlement Currency:* [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with US Dollar as Settlement Currency:* [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

*[insert in the case of a currency and/or one or more Business Centres:* a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in *[insert currency: ●]*] [in the Business Centre[s]] *[if no currency is indicated, insert: in each of the Business Centres]*.)]

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**" means the strike level as specified in **Table 1** in the Annex.]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].]][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] *[insert for Quanto products:* [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is rein-

vested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]

["**Underlying**"] means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"] ["**Interest Rate**"] ["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component*], as issued by the Share Issuer.]]

["**Underlying Valuation Date**"] means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**"] means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**"] means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**"] means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**"] means the screen page as specified in **Table 2** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Cap Level**"] means the Cap Level as specified in **Table 1** in the Annex.]

["**Fiscal Agent**"] means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**"] means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**"] means [the Reference Price of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.][the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.]]

["**Final Basket Value**"] means the sum of the Final Levels of all Basket Components.]

["**Final Level of a Basket Component**"] means the Final Fixing Level of the Basket Component multiplied by the [Number of Basket Component][Initial Weighting<sub>(i)</sub>]. Accordingly, the Final Level of a Basket Component will be calculated as follows:

Final Level of a Basket Component =  $Ff_{(i)} * W_{(i)}$

whereby

" $Ff_{(i)}$ " means the Final Fixing Level of the Basket Component<sub>(i)</sub> and

" $W_{(i)}$ " means the [Number of Basket Component][Initial Weighting<sub>(i)</sub>].]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "Index Sponsor"**"** means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]*

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] *[insert Internet site: ●]* [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] *[insert other method for determining Relevant Exchange Rate: ●]*. If the abovementioned Exchange Rate can no longer be determined in the

way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency*: ●]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg][the Screen Page] [●] [*insert Internet site*: ●] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex ex-



pressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate**<sub>(Initial)</sub>" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**"] means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**"] means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

[*insert if either COSI or TCM is applicable:*

##### (1) *Redemption Amount*

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the product of (i) the [Conversion Ratio] [Denomination] [Issue Price] and (ii) [*insert in the case of Call Warrants:* [the quotient of (A) the difference between the [Final Fixing Level [of the Basket Component with the Worst Performance]] [Final Basket Value] and the Strike Level and (B) the [Initial Fixing Level [of the Basket Component with the Worst Performance]] [Initial Basket Value]] [the difference between (A) [the Performance of the Underlying][the quotient of the Final Fixing Level and the [Initial Fixing Level] [Strike Level] of the Basket Component with the Worst Performance] and (B) the [Initial Fixing Level] [Strike Level]] [the difference between (A) the quotient of the Final Basket Value divided by the Initial Basket Value and (B) the [Initial Fixing Level] [Strike Level]]] [*insert in the case of Put Warrants:* [the quotient of (A) the difference between the [Initial Fixing Level] [Strike Level] and the [Final Fixing Level [of the Basket Component with the Worst Performance]] [Final Basket Value] and (B) the [[Initial Fixing Level] [Strike Level] [of the Basket Component with the Worst Performance]] [Initial Basket Value]] [the difference between (A) the [Initial Fixing Level] [Strike Level] and (B) the Performance of the Underlying] [the difference between (A) the [Initial Fixing Level] [Strike Level] and (B) the quotient of the Final Basket Value divided by the Initial Basket Value]]. [The result is multiplied by the Exchange Rate Performance.] [The "**Performance of the Underlying**" equals the Final Fixing Level divided by the [Initial Fixing Level] [Strike Level].]

[*insert in the case of Warrants that provide for a Maximum Redemption Amount:* The Redemption Amount will not exceed the amount equal to the product of (i) the [Conversion Ratio] [Denomination] [Issue Price] and (ii) [*insert in the case of Call Warrants:* [the quotient of (A) the difference between

the Cap Level and the [Initial Fixing Level] [Strike Level] and (B) the [[Initial Fixing Level] [Strike Level] [of the Basket Component with the Worst Performance]] [Initial Basket Value]] [the difference between (A) the Cap Level and (B) the [Initial Fixing Level] [Strike Level]]] [*insert in the case of Put Warrants*: [the quotient of (A) the difference between the [Initial Fixing Level] [Strike Level] and the Cap Level and (B) the [Initial Fixing Level [of the Basket Component with the Worst Performance]] [Initial Basket Value]] [the difference between (A) the [Initial Fixing Level] [Strike Level] and (B) the Cap Level]] [, whereby the result of this calculation is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").]

The Redemption Amount is at least zero.

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

**(2) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]

[*insert if neither COSI nor TCM is applicable*:

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals the product of (i) the [Conversion Ratio] [Denomination] [Issue Price] and (ii) [*insert in the case of Call Warrants*: [the quotient of (A) the difference between the [Final Fixing Level [of the Basket Component with the Worst Performance]] [Final Basket Value] and the Strike Level and (B) the [Initial Fixing Level [of the Basket Component with the Worst Performance]] [Initial Basket Value]] [the difference between

(A) [the Performance of the Underlying][the quotient of the Final Fixing Level and the [Initial Fixing Level] [Strike Level] of the Basket Component with the Worst Performance] and (B) the [Initial Fixing Level] [Strike Level]] [the difference between (A) the quotient of the Final Basket Value divided by the Initial Basket Value and (B) the [Initial Fixing Level] [Strike Level]]] [*insert in the case of Put Warrants*: [the quotient of (A) the difference between the [Initial Fixing Level] [Strike Level] and the [Final Fixing Level [of the Basket Component with the Worst Performance]] [Final Basket Value] and (B) the [[Initial Fixing Level] [Strike Level] [of the Basket Component with the Worst Performance]] [Initial Basket Value]] [the difference between (A) the [Initial Fixing Level] [Strike Level] and (B) the Performance of the Underlying] [the difference between (A) the [Initial Fixing Level] [Strike Level] and (B) the quotient of the Final Basket Value divided by the Initial Basket Value]]. [The result is multiplied by the Exchange Rate Performance.] [The "**Performance of the Underlying**" equals the Final Fixing Level divided by the [Initial Fixing Level] [Strike Level].]

[*insert in the case of Warrants that provide for a Maximum Redemption Amount*: The Redemption Amount will not exceed the amount equal to the product of (i) the [Conversion Ratio] [Denomination] [Issue Price] and (ii) [*insert in the case of Call Warrants*: [the quotient of (A) the difference between the Cap Level and the [Initial Fixing Level] [Strike Level] and (B) the [[Initial Fixing Level] [Strike Level] [of the Basket Component with the Worst Performance]] [Initial Basket Value]] [the difference between (A) the Cap Level and (B) the [Initial Fixing Level] [Strike Level]]] [*insert in the case of Put Warrants*: [the quotient of (A) the difference between the [Initial Fixing Level] [Strike Level] and the Cap Level and (B) the [Initial Fixing Level [of the Basket Component with the Worst Performance]] [Initial Basket Value]] [the difference between (A) the [Initial Fixing Level] [Strike Level] and (B) the Cap Level]] ], whereby the result of this calculation is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").]

The Redemption Amount is at least zero.

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

**(2) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is

not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]]*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

**§ 5**

**Interest, Coupon Payments**

The Products bear no interest.

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments**

***(1) Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

***(2) Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

***(3) Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:]*

**§ 10**

**Collateral Secured Instruments (COSI)**

***(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

### ***(2) Documentation***

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

### ***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the

Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

#### **(4) Distribution and market making**

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

#### **(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign

currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public



the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss

Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) Secondary Listing**

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this § 10 "Collateral Secured Instruments (COSI)"	Corresponding definition in these Conditions
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10****Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the

TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

**Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

**Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

**Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

**Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

**Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

**Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

**Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in

advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10**  
**(intentionally left blank)]**



[in the case of Participation Certificates (Product No. 30), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") [issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.][issues products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.]

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:]*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:]*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the

Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss SIX SIS Bearer Securities:*

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bun-*

*desgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

[insert in the case of German Bearer Securities:

**(a) Bearer Securities**

The Products are issued in bearer form.

[insert in the case of German CBF Bearer Securities:

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transfer-

able in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such

certification received by [*insert relevant institution: ●*] on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[*insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the

Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any prop-

erty of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

*[insert in the case either COSI or TCM is applicable:]*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

### § 3

#### Definitions

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

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer"* means the company that has issued the [Underlying][Basket Component].]

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the re-



spective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Denomination][Initial Basket Value] \* Initial Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

["**Business Day**" means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]*

*[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]*

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Conversion Ratio**" means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].]][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike

Level] of the respective Basket Component.]] *[insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted • Business Days after the receipt of the dividend payment by the Issuer.]]*

**["Barrier Observation Period"** means the barrier observation period as specified in **Table 1** in the Annex.]

**["Barrier Event"** has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] *[insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value is equal to or below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of [a][at least one] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table 1**][**2**] in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]]*

**["Barrier Level"** means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

**["Underlying"** means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]["**Interest Rate**"]["**Reference Rate**"]) *[insert in the case of a share as Underlying or Basket Component:., as issued by the Share Issuer.]*

**["Underlying Valuation Date"** means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

**["Best Performance"** means the best performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

**["Basket"** means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

**["Basket Component"** means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

**["Calculation Agent"** means the calculation agent as specified in **Table 1** in the Annex.]

**["Screen Page"** means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket*

*Component: "Exchange"* means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Cap Level**"] means the cap level as specified in **Table 1** in the Annex.]

["**Downside Participation Factor**"] means the downside participation factor as specified in **Table 1** in the Annex.]

["**Fiscal Agent**"] means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**"] means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**"] means [the Reference Price of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.][the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Final Basket Value**"] means the sum of the Final Levels of all Basket Components.]

["**Final Level of a Basket Component**"] means the Final Fixing Level of the Basket Component multiplied by the [Number of Basket Component][Initial Weighting<sub>(i)</sub>]. Accordingly, the Final Level of a Basket Component will be calculated as follows:

$$\text{Final Level of a Basket Component} = Ff_{(i)} * W_{(i)}$$

whereby

"Ff<sub>(i)</sub>" means the Final Fixing Level of the Basket Component<sub>(i)</sub> and

"W<sub>(i)</sub>" means the [Number of Basket Component][Initial Weighting<sub>(i)</sub>].]

["**Initial Fixing Date**"] means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*]

["**Business Centre**"] means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Middle Performance**" means the second highest performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Participation Factor**" means the participation factor as specified in **Table 1** in the Annex.]

["**Participation Factor 1**" means the participation factor 1 as specified in **Table 1** in the Annex.]

["**Participation Factor 2**" means the participation factor 2 as specified in **Table 1** in the Annex.]

["**Participation Factor 3**" means the participation factor 3 as specified in **Table 1** in the Annex.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on

the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg][the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**"] means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**"] means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**"] means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**"] means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**"] has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**"] means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**"] means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**"] means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### *(1) [Redemption Amount] [Physical Delivery]*

[The "**Redemption Amount**" in the Settlement Currency per Product equals[, subject to a redemption pursuant to paragraph (2) or] subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions [the following amount: (i) If the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is at or below the [Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Initial Basket Value], the Redemption Amount equals the [Denomination][Issue Price] multiplied by the sum of (A) 100 % and (B) the Downside Participation Factor that is multiplied by the quotient of (a) the difference between the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] and the [corresponding] [Initial Fixing Level] [Initial Basket Value] and (b) the [corresponding] [Initial Fixing Level] [Initial Basket Value]; the result is multiplied by the Exchange Rate Performance]. (ii) If the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is above the [Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Initial Basket Value], the Redemption Amount equals the [Denomination][Issue Price] multiplied by the sum of (A) 100 % and (B) the Participation Factor that is multiplied by the quotient of (a) the difference between the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] and the [corresponding] [Initial Fixing Level] [Initial Basket Value] and (b) the [corresponding] [Initial Fixing Level] [Initial Basket Value]; the result is multiplied by the Exchange Rate Performance.] [the product of the [Issue Price][Denomination] multiplied by the [Performance of the Underlying] [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] divided by the Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance] [Final Basket Value divided by the Initial Basket Value].] [The result is multiplied by the Exchange Rate Performance.] [The Redemption Amount will not exceed the [Denomination][Issue Price] multiplied by the Cap Level [whereby the result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").] [The "**Performance of the Underlying**" equals the Final Fixing Level divided by the Initial Fixing Level.] *[insert in the case of Participation Certificate with rainbow structure: the Issue Price multiplied by the the sum of (A) 100 %, (B) the Participation Factor 1 multiplied by the Performance of the Basket Component with the Best Performance minus 100 %, (C) the Participation Factor 2 multiplied by the Performance of the Basket Component with the Middle Performance minus 100 % and (D) the Participation Factor 3 multiplied by the Performance of the Basket Component with the Worst Performance minus 100 %. [The result is multiplied by the Exchange Rate Performance.]]*

The Redemption Amount will be [*insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph [(2)][(3)], as the case may be, and] commercially rounded to two (2) decimal places.]*

[Subject to a redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Issuer will redeem the Products by way of delivery of a number of the [Underlying] [Basket Component with the [Worst][Best] Performance] expressed by the Conversion Ratio, with fractions of the [Underlying] [Basket Component with the [Worst][Best] Performance] not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the [Underlying] [Basket Component with the [Worst][Best] Performance], for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the [Underlying] [Basket Component with the [Worst][Best] Performance]. The Cash Payment Amount for Fractions or the Compensation Amount shall be calculated by multiplying the Final Fixing Level of the [Underlying][relevant Basket Component] [converted into the Settlement Currency [on the basis of [•]]] by the fractions of the [Underlying] [Basket Component with the [Worst][Best] Performance] (in the case of the Cash Payment Amount for Fractions) or by the Conversion Ratio (in the case of the Compensation Amount). If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the [Underlyings] [Basket Components with the [Worst][Best] Performance] to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]

**[(2) Minimum Redemption]**

Provided that no Barrier Event has occurred, the Redemption Amount will be determined as follows:

- (i) If the [Final Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is at or below the [Initial Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance]] [Initial Basket Value], the Redemption Amount is equal to the [product of the [Issue Price][Denomination] and the difference between 200 % and the [Performance of the Underlying] [Final Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance] divided by the Initial Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance] [Final Basket Value divided by the Initial Basket Value]] [[Denomination][Issue Price] multiplied by the sum of (A) 100 % and (B) the difference between 100 % and the [Performance of the Underlying] [Final Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance] divided by the Initial Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance] [Final Basket Value divided by the Initial Basket Value] whereby such difference is multiplied by the Participation Factor]. [The result is multiplied by the Exchange Rate Performance.]

- (ii) If the [Final Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is above the [Initial Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance]] [Initial Basket Value] the Redemption Amount is equal to the [[Issue Price] [Denomination] multiplied by the [Performance of the Underlying] [Final Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance] divided by the Initial Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance] [Final Basket Value divided by the Initial Basket Value]] [[Denomination][Issue Price] multiplied by the sum of (A) 100 % and (B) the difference between the [Performance of the Underlying] [Final Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance] divided by the Initial Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance] [Final Basket Value divided by the Initial Basket Value] and 100 % whereby such difference is multiplied by the Participation Factor]. [The result is multiplied by the Exchange Rate Performance.] [The Redemption Amount will not exceed the Maximum Redemption Amount [multiplied by the Exchange Rate Performance] [that equals the [Denomination][Issue Price] multiplied by the sum of (A) 100 % and (B) the difference between the Cap Level and 100 % whereby such difference is multiplied by the Participation Factor [and whereby the final result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**")].]

The Redemption Amount determined in accordance with this paragraph (2) will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.]

[*insert if Currency Conversion is applicable*:

**[(2)][(3)]      *Currency exchange***

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]



[insert if neither COSI nor TCM is applicable:

(1) [Redemption Amount] [Physical Delivery]

[The "**Redemption Amount**" in the Settlement Currency per Product equals[, subject to a redemption pursuant to paragraph (2)] [the following amount: (i) If the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is at or below the [Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Initial Basket Value], the Redemption Amount equals the [Denomination][Issue Price] multiplied by the sum of (A) 100 % and (B) the Downside Participation Factor that is multiplied by the quotient of (a) the difference between the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] and the [corresponding] [Initial Fixing Level] [Initial Basket Value] and (b) the [corresponding] [Initial Fixing Level] [Initial Basket Value]; the result is multiplied by the Exchange Rate Performance]. (ii) If the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is above the [Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Initial Basket Value], the Redemption Amount equals the [Denomination][Issue Price] multiplied by the sum of (A) 100 % and (B) the Participation Factor that is multiplied by the quotient of (a) the difference between the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] and the [corresponding] [Initial Fixing Level] [Initial Basket Value] and (b) the [corresponding] [Initial Fixing Level] [Initial Basket Value]; the result is multiplied by the Exchange Rate Performance.] [the product of the [Issue Price][Denomination] multiplied by the [Performance of the Underlying] [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance] divided by the Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance] [Final Basket Value divided by the Initial Basket Value].] [The result is multiplied by the Exchange Rate Performance.] [The Redemption Amount will not exceed the [Denomination][Issue Price] multiplied by the Cap Level [whereby the result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**").] [The "**Performance of the Underlying**" equals the Final Fixing Level divided by the Initial Fixing Level.] [insert in the case of Participation Certificate with rainbow structure: the Issue Price multiplied by the the sum of (A) 100 %, (B) the Participation Factor 1 multiplied by the Performance of the Basket Component with the Best Performance minus 100 %, (C) the Participation Factor 2 multiplied by the Performance of the Basket Component with the Middle Performance minus 100 % and (D) the Participation Factor 3 multiplied by the Performance of the Basket Component with the Worst Performance minus 100 %. [The result is multiplied by the Exchange Rate Performance.]]

The Redemption Amount will be [insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph [(2)][(3)], as the case may be, and] commercially rounded to two (2) decimal places.]

[Subject to a redemption pursuant to paragraph (2), the Issuer will redeem the Products by way of delivery of a number of the [Underlying] [Basket Component with the [Worst][Best] Performance]] ex-

pressed by the Conversion Ratio, with fractions of the [Underlying] [Basket Component with the [Worst][Best] Performance]] not being delivered but redeemed by way of payment of a cash payment amount for fractions (the "**Cash Payment Amount for Fractions**"). Should the delivery of the [Underlying] [Basket Component with the [Worst][Best] Performance]], for whatever reason, be economically or actually impeded or not possible, then the Issuer shall have the right to pay a compensation amount (the "**Compensation Amount**") in lieu of delivery of the [Underlying] [Basket Component with the [Worst][Best] Performance]]. The Cash Payment Amount for Fractions or the Compensation Amount shall be calculated by multiplying the Final Fixing Level of the [Underlying][relevant Basket Component] [converted into the Settlement Currency [on the basis of [•]]] by the fractions of the [Underlying] [Basket Component with the [Worst][Best] Performance]] (in the case of the Cash Payment Amount for Fractions) or by the Conversion Ratio (in the case of the Compensation Amount). If the Holder holds several Products, there shall be no aggregation of the Cash Payment Amounts for Fractions in such a way that the number of the [Underlyings] [Basket Components with the [Worst][Best] Performance]] to be settled would increase. The Cash Payment Amount for Fractions or the Compensation Amount, as the case may be, shall be commercially rounded to two (2) decimal places.]

***[(2) Minimum Redemption***

Provided that no Barrier Event has occurred, the Redemption Amount will be determined as follows:

- (i) If the [Final Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is at or below the [Initial Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance]] [Initial Basket Value], the Redemption Amount is equal to the [product of the [Issue Price][Denomination] and the difference between 200 % and the [Performance of the Underlying] [Final Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance] divided by the Initial Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance] [Final Basket Value divided by the Initial Basket Value]] [[Denomination][Issue Price] multiplied by the sum of (A) 100 % and (B) the difference between 100 % and the [Performance of the Underlying] [Final Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance] divided by the Initial Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance] [Final Basket Value divided by the Initial Basket Value] whereby such difference is multiplied by the Participation Factor]. [The result is multiplied by the Exchange Rate Performance.]
- (ii) If the [Final Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is above the [Initial Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance]] [Initial Basket Value] the Redemption Amount is equal to the [[Issue Price] [Denomination] multiplied by the [Performance of the Underlying] [Final Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance] divided by the Initial Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance]

Performance] [Final Basket Value divided by the Initial Basket Value]] [[Denomination][Issue Price] multiplied by the sum of (A) 100 % and (B) the difference between the [Performance of the Underlying] [Final Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance] divided by the Initial Fixing Level of the [Underlying][Basket Component with the [Worst][Best] Performance] [Final Basket Value divided by the Initial Basket Value] and 100 % whereby such difference is multiplied by the Participation Factor]. [The result is multiplied by the Exchange Rate Performance.] [The Redemption Amount will not exceed the Maximum Redemption Amount [multiplied by the Exchange Rate Performance] [that equals the Denomination multiplied by the sum of (A) 100 % and (B) the difference between the Cap Level and 100 % whereby such difference is multiplied by the Participation Factor [and whereby the final result is multiplied by the Exchange Rate Performance] (the "**Maximum Redemption Amount**")].]

The Redemption Amount determined in accordance with this paragraph (2) will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (3) and] commercially rounded to two (2) decimal places.]

[*insert if Currency Conversion is applicable*:

**[(2)][(3)]      *Currency exchange***

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

**§ 5**

**Interest, Coupon Payments**

The Products bear no interest.

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments[, Physical Delivery]**

***(1) Payments***

The Issuer shall cause the claimed Redemption Amount, if any, [or the delivery of the [Underlying] [Basket Component with the [Worst][Best] Performance] or any other amount to be paid pursuant to § 4 of the Issue Specific Conditions] to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the sched-

uled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) *Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) *Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

[insert in the case COSI is applicable:

**§ 10**

**Collateral Secured Instruments (COSI)**

**(1) *Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Pro-

vider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

***(2) Documentation***

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclu-

sively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

#### ***(4) Distribution and market making***

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

#### ***(5) Risks***

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

#### ***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.



***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its

COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agree-

ment.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) *Liability***

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) *No authorisation***

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) *Congruence with the Conditions***

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instru-	

ments (COSI)"

investor

Holder

issuer

Issuer

issuing conditions

Terms and Conditions, Conditions

maturity

Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

## § 10

### **Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the

Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it.

SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Bank-**

ing Act"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

**Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

**Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

**Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral

Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10**  
**(intentionally left blank)]**



[in the case of Spread Certificates with Cash Settlement (Product No. 31), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") [issues products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or

transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the **"Permanent Global Note"**) without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the **"Minimum Trading Lot"**) or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the **"Permanent Global Note"**) without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer aris-

ing from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3**

**Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the day of the occurrence of the Stop-Loss Event [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]*

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Adjustment Factor"** means the adjustment factor as specified in **Table 1** in the Annex.]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor):  $\text{Number of Basket Component}_{(i)} = \frac{[\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$ .] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

**"Business Day"** means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the*



case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [*insert principal financial centre for such currency: ●*].]

[*insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.*]

[*insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.*]

[*insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [*insert currency: ●*]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*]

["**Issue Price**"] means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**"] means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**"] means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**"] means the strike level as specified in **Table 1** in the Annex.]

["**Underlying**"] means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"] ["**Interest Rate**"] ["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component, as issued by the Share Issuer.*]

["**Underlying Valuation Date**"] means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**"] means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**"] means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**"] means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**"] means the screen page as specified in **Table 2** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as*

specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.*]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg]] [the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

["**Stop-Loss Observation Period**" means the stop-loss observation period as specified in **Table 1** in the Annex.]

["**Stop-Loss Event**" has occurred if [the Final Fixing Level is [equal to or] below the Stop-Loss Level] [the [Price][Reference Price] [[(bid)][(ask)] price of the Product] [*insert other relevant price for determination of Stop-Loss Event: ●*] [(as determined in the reasonable discretion of the Calculation

Agent)] [that is published [under] [on] [*insert relevant source: ●*]] is [equal to or] below the Stop-Loss Level at any time during the Stop-Loss Observation Period] [*insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value equals or below the Stop-Loss Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Stop-Loss Level during the Stop-Loss Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] of a Basket Component is [equal to or] below the Stop-Loss Level for this Basket Component as specified in **Table [1][2]** in the Annex at any time during the Stop-Loss Observation Period], as determined by the Calculation Agent.]]]*

["**Stop-Loss Level**" means the stop-loss level as specified in **Table 1** in the Annex.]

["**Stop-Loss Redemption Amount**" means [the [value][fair market price] of the Product (as determined in the reasonable discretion of the Calculation Agent) [at the time on which the Stop-Loss Event has occurred][*insert other relevant time: ●*]] [*●*] [that is published [under] [on] [*insert relevant source: ●*]] [,whereby the result is multiplied by the Current Exchange Rate Performance]. The Stop-Loss Redemption Amount is at least zero.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Management Factor**" means [the conversion of the Management Fee, which depends on the term of the Product, and shall be calculated according to the following formula [Management Fee x  $t/360$ , whereby "t" means the number of calendar days since the Initial Fixing Date] [*insert formula: ●*]. The Management Factor will be commercially rounded to *●* decimal places on a daily basis.]

["**Management Fee**" means the [p.a.] management fee as specified in **Table 1** in the Annex.]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Refer-

ence Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

[*insert if either COSI or TCM is applicable:*

##### (1) *Redemption Amount*

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an early redemption pursuant to § 7 of the Issue Specific Conditions in the case of the occurrence of a Stop-Loss Event or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the Product of (i) the [Denomination][Issue Price] and (ii) the sum of the Adjustment Factor and the Outperformance minus the Management Factor. [The result is multiplied by the Exchange Rate Performance.] The "**Outperformance**" equals the Performance of Basket Component 1 minus the Performance of Basket Component 2. The "**Performance**" of a Basket Component equals the Final Fixing Level of the respective Basket Component divided by its Initial Fixing Level minus 1.

The Redemption Amount will be [*insert if Currency Conversion is applicable:* converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable:*

##### (2) *Currency exchange*

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable:* on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable:* at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]]

[*insert if neither COSI nor TCM is applicable:*

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an early redemption pursuant to § 7 of the Issue Specific Conditions in the case of the occurrence of a Stop-Loss Event, the Product of (i) the [Denomination][Issue Price] and (ii) the sum of the Adjustment Factor and the Outperformance minus the Management Factor. [The result is multiplied by the Exchange Rate Performance.] The "**Outperformance**" equals the Performance of Basket Component 1 minus the Performance of Basket Component 2. The "**Performance**" of a Basket Component equals the Final Fixing Level of the respective Basket Component divided by its Initial Fixing Level minus 1.

The Redemption Amount will be [*insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and*] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable:*

**(2) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.*][*insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").*]

**§ 5**

**Interest, Coupon Payments**

The Products bear no interest.

**§ 6**

**(intentionally left blank)**

**§ 7**

**Early redemption in the case of the occurrence of a Stop-Loss Event**

In the event that a Stop-Loss Event has occurred, the term of the Products shall end automatically on the day of the occurrence of the Stop-Loss Event without the need for a separate termination of the Products by the Issuer (the "**Early Redemption**"). In this case the Redemption Amount to be paid by

the Issuer equals the Stop-Loss Redemption Amount.

**§ 8**  
**Payments**

*(1) Payments*

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

*(2) Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

*(3) Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated]**

*(1) Termination Right of Issuer*

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) *Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) *Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:*

**§ 10**

**Collateral Secured Instruments (COSI)**

**(1) *Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.



**(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

**(3) Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

**(4) Distribution and market making**

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is

obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

**(5) Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

**(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing

conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

*(10) Costs of liquidation and payout for the benefit of the investors*

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, con-

vert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) *Liability***

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this § 10 "Collateral Secured Instru- ments (COSI)"	Corresponding definition in these Conditions
investor	Holder
issuer	Issuer
issuing condi- tions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10**

**Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of

the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

**Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured

Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the



risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

### **Costs of liquidation and payout for the benefit of the investors**

## V. TERMS AND CONDITIONS

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:]*

**§ 10**  
**(intentionally left blank)]**

[in the case of Short Participation Certificates with Cash Settlement and with unconditional minimum redemption (Product No. 32), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") [issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.][issues products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.]

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities,

the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right

in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss SIX SIS Bearer Securities:*

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Ver-*

*wahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the

Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers



delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3**

**Definitions**

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

["**Current Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(t)</sub> and the Ex-

change Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(t)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on [the respective Coupon Observation Date allocated to the relevant Coupon Payment Date] [●] on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the Reference Currency [of the Basket Component with the [Worst][Best] Performance] [●] for 1 unit of the Settlement Currency which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].]*

**"Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the [Issue Price][Denomination] was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**"Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**"Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**"Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Issue Price][Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor):  $\text{Number of Basket Component}_{(i)} = \frac{[\text{Issue Price}][\text{Denomination}][\text{Initial Basket Value}] * \text{Initial Weighting}_{(i)}}{\text{Initial Fixing Level}_{(i)}}$  [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex].]

["**Business Day**" means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]*

*[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]*

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**" means the strike level as specified in **Table 1** in the Annex.]

["**Barrier Observation Period**" means the barrier observation period as specified in **Table 1** in the Annex.]

["**Barrier Event**" has occurred if [the Final Fixing Level is [equal to or] below the Barrier Level] [the [Price][Reference Price] is [equal to or] below the Barrier Level at any time during the Barrier Observation Period] *[insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value is equal to or below the Barrier Level as determined by the Calculation Agent] [the [Price][Reference Price] of the Basket is equal to or below the Barrier Level during the Barrier Observation Period, as determined by the Calculation Agent] [the [Price][Reference Price] [Final Fixing Level] of [a][at least one] Basket Component is [equal to or] below the Barrier Level for this Basket Component as specified in **Table 1**][2] in the Annex at any time during the Barrier Observation Period], as determined by the Calculation Agent.]]]*

["**Barrier Level**" means the barrier level as specified in **Table 1** in the Annex [with respect to the relevant Basket Component].]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"] ["**Interest Rate**"] ["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component*., as issued by the Share Issuer].]

["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

[*insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component*: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Cap Level**" means the Cap Level as specified in **Table 1** in the Annex.]

["**Coupon Observation Date**" means each of the coupon observation dates as specified in **Table 1**[**3**] in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. In the event of the postponement of the Underlying Valuation Date corresponding to the relevant Coupon Observation Date [in respect of one or more Basket Components], the relevant Coupon Observation Date [in relation to [the relevant Basket Component][all Basket Components]] shall be postponed accordingly.]]

["**Coupon Rate**" equals the Average Performance on the Coupon Observation Date allocated to the respective Coupon Payment Date. The "**Average Performance**" on a Coupon Observation Date equals the sum of the Recorded Performances of all Basket Components. The "**Recorded Performance of a Basket Component**" equals – in the case that the Performance of the respective Basket Component is negative - the Performance of the Basket Component divided by the number of Basket Components in the Basket or – in the case that the Performance of the respective Basket Component

is zero or positive the Maximum Performance divided by the number of Basket Components in the Basket. The "**Maximum Performance**" equals [●]. The "**Performance of a Basket Component**" equals the Reference Price of the respective Basket Component on the respective Coupon Observation Date divided by its Initial Fixing Level minus 1. [The Coupon Rate is at least zero.]]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1**[3] in the Annex or, if this date is not a Business Day, the next following Business Day. [In the event of the postponement of the relevant Coupon Observation Date, the relevant Coupon Payment Date shall be postponed accordingly.]]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.][means the Final Basket Value on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.]]

["**Final Basket Value**" means the sum of the Final Levels of all Basket Components.]

["**Final Level of a Basket Component**" means the Final Fixing Level of the Basket Component multiplied by the [Number of Basket Component][Initial Weighting<sub>(i)</sub>]. Accordingly, the Final Level of a Basket Component will be calculated as follows:

$$\text{Final Level of a Basket Component} = Ff_{(i)} * W_{(i)}$$

whereby

"Ff<sub>(i)</sub>" means the Final Fixing Level of the Basket Component<sub>(i)</sub> and

"W<sub>(i)</sub>" means the [Number of Basket Component][Initial Weighting<sub>(i)</sub>].]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period:* In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component:* "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as speci-

fied in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Rebate Coupon Rate**" means the rebate coupon rate as specified in **Table 1** in the Annex.]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Maximum Redemption Amount**" means the maximum redemption amount as specified in **Table 1** in the Annex.]

["**Minimum Redemption Factor**" means the minimum redemption factor as specified in **Table 1** in the Annex.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Participation Factor**" means the participation factor as specified in **Table 1** in the Annex.]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg][the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled

Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**" means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][*insert other currency: ●*] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][*insert other currency: ●*] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

**§ 4**  
**Redemption**

*[insert if either COSI or TCM is applicable:*

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals[, subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, (a) if a Barrier Event has not occurred and the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is at or below the [[Initial Fixing Level][Strike Level] [of the Basket Component with the [Worst][Best] Performance] [Initial Basket Value] the [Issue Price][Denomination] multiplied by the sum of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the difference between [100 %][Strike Level (in%)] [and the Performance of the [Underlying] [Basket Component with the [Worst][Best] Performance] [Basket]] [whereby the result of this calculation is multiplied by the Exchange Rate Performance]; (b) if a Barrier Event has not occurred and [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is above the [[Initial Fixing Level][Strike Level] [of the Basket Component with the [Worst][Best] Performance] [Initial Basket Value] the [Issue Price][Denomination] multiplied by the Minimum Redemption Factor [whereby the result of this calculation is multiplied by the Exchange Rate Performance]; (c) if a Barrier Event has occurred the [Issue Price][Denomination] multiplied by the sum of the Minimum Redemption Factor and the Rebate Coupon Rate [whereby the result of this calculation is multiplied by the Exchange Rate Performance].]

[, subject to a Minimum Redemption pursuant to paragraph (2) or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, [and in the case that the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is [at or] below the [[Initial Fixing Level][Strike Level] [of the Basket Component with the [Worst][Best] Performance] [Initial Basket Value] [multiplied by the Strike Level] [, but at or above the [[Initial Fixing Level][Strike Level] [of the [worst] [best] performing Basket Component] [Initial Basket Value] multiplied by the Cap Level [(in%)]], the [Denomination][Issue Price] multiplied by the sum of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the difference between [100 %][Strike Level [(in%)]] [of the [Underlying] [Basket Component with the [Worst][Best] Performance] [Basket]] and [its Final Fixing Level] [Final Basket Value] [the Performance of the [Underlying][Basket Component with the [Worst][Best] Performance][Basket]] [whereby the difference is divided by the [Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Initial Basket Value]. [The result is multiplied by the Exchange Rate Performance.] [The Redemption Amount will not exceed the Maximum Redemption Amount that is paid in the case that the [Final Fixing Level [of the [worst] [best] performing Basket Component] [Final Basket Value] is below the [[Initial Fixing Level][Strike Level] [of the [worst] [best] performing Basket Component] [Initial Basket Value] multiplied by the Cap Level [(in%)]. The Maximum Redemption Amount equals the [Denomination][Issue Price] multiplied by the sum of (i) the Minimum Redemption Factor and (ii)



the Participation Factor multiplied by the difference between the Strike Level [(in%)] and the Cap Level [(in%)] [whereby the result is multiplied by the Exchange Rate Performance].]

[The "**Performance of the Underlying**" equals the Final Fixing Level divided by the Initial Fixing Level.][The "**Performance of the Basket Component**" equals the Final Fixing Level of the respective Basket Component divided by the Initial Fixing Level of the respective Basket Component.] [The "**Performance of the Basket**" equals the Final Basket Value divided by the Initial Basket Value.]

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph [(2)][(3)], as the case may be, and] commercially rounded to two (2) decimal places.

**[(2) Minimum Redemption]**

In the case that the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is [at or] above the [[Initial Fixing Level] [Strike Level] [of the Basket Component with the [Worst][Best] Performance]] [Initial Basket Value] [multiplied by the Strike Level], the Redemption Amount equals the [Denomination][Issue Price] multiplied by the Minimum Redemption Factor (the "**Minimum Redemption Amount**") [, whereby the result is multiplied by the Exchange Rate Performance].

The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph [(2)][(3)], as the case may be, and] commercially rounded to two (2) decimal places.]

[*insert if Currency Conversion is applicable*:

**[(2)][(3) Currency exchange]**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]

[*insert if neither COSI nor TCM is applicable*:

**(1) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals [(a) if a Barrier Event has not occurred and the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is at or below the [[Initial Fixing Level][Strike Level] [of the Basket Component with the [Worst][Best] Performance] [Initial Basket Value] the [Issue Price][Denomination] multiplied by the sum of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the difference between [100 %][Strike Level (in%)] [and the Performance of the [Underlying] [Basket Component with the [Worst][Best] Performance] [Basket]] [whereby the result of this calculation is multiplied by the Exchange Rate Performance]; (b) if a Barrier Event has not occurred and [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is above the [[Initial Fixing Level][Strike Level] [of the Basket Component with the [Worst][Best] Performance] [Initial Basket Value] the [Issue Price][Denomination] multiplied by the Minimum Redemption Factor [whereby the result of this calculation is multiplied by the Exchange Rate Performance]; (c) if a Barrier Event has occurred the [Issue Price][Denomination] multiplied by the sum of the Minimum Redemption Factor and the Rebate Coupon Rate [whereby the result of this calculation is multiplied by the Exchange Rate Performance].]

[, subject to a Minimum Redemption pursuant to paragraph (2), [and in the case that the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is [at or] below the [[Initial Fixing Level][Strike Level] [of the Basket Component with the [Worst][Best] Performance] [Initial Basket Value] [multiplied by the Strike Level] [, but at or above the [[Initial Fixing Level][Strike Level] [of the [worst] [best] performing Basket Component] [Initial Basket Value] multiplied by the Cap Level [(in%)], the [Denomination][Issue Price] multiplied by the sum of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the difference between [100 %][Strike Level (in%)] [of the [Underlying] [Basket Component with the [Worst][Best] Performance] [Basket]] and [its Final Fixing Level] [Final Basket Value] [the Performance of the [Underlying][Basket Component with the [Worst][Best] Performance][Basket]] [whereby the difference is divided by the [Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Initial Basket Value]. [The result is multiplied by the Exchange Rate Performance.] [The Redemption Amount will not exceed the Maximum Redemption Amount that is paid in the case that the [Final Fixing Level [of the [worst] [best] performing Basket Component] [Final Basket Value] is below the [[Initial Fixing Level][Strike Level] [of the [worst] [best] performing Basket Component] [Initial Basket Value] multiplied by the Cap Level [(in%)]. The Maximum Redemption Amount equals the [Denomination][Issue Price] multiplied by the sum of (i) the Minimum Redemption Factor and (ii) the Participation Factor multiplied by the difference between the Strike Level [(in%)] and the Cap Level [(in%)] [whereby the result is multiplied by the Exchange Rate Performance].]]]

[The "**Performance of the Underlying**" equals the Final Fixing Level divided by the Initial Fixing Level.][The "**Performance of the Basket Component**" equals the Final Fixing Level of the respective Basket Component divided by the Initial Fixing Level of the respective Basket Component.][The "**Performance of the Basket**" equals the Final Basket Value divided by the Initial Basket Value.]

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph [(2)][(3)], as the case may be, and] commercially rounded to two (2) decimal places.

[(2)] **Minimum Redemption**

In the case that the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is [at or] above the [[Initial Fixing Level] [Strike Level] [of the Basket Component with the [Worst][Best] Performance]] [Initial Basket Value] [multiplied by the Strike Level], the Redemption Amount equals the [Denomination][Issue Price] multiplied by the Minimum Redemption Factor (the "**Minimum Redemption Amount**")[, whereby the result is multiplied by the Exchange Rate Performance].

The Minimum Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph [(2)][(3)], as the case may be, and] commercially rounded to two (2) decimal places.]

[*insert if Currency Conversion is applicable*:

[(2)][(3)] **Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("**Quanto**").]

§ 5

**Interest, Coupon Payments**

The Products bear no interest.

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments**

***(1) Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date. [The Issuer shall transfer the Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders.]

If a Redemption Date [and/or Coupon Payment Date] falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date

on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

***(2) Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

***(3) Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:*

**§ 10**

**Collateral Secured Instruments (COSI)**

***(1) Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the

two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

**(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

**(3) Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

***(4) Distribution and market making***

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

***(5) Risks***

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 let-

ter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a



COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

**(10) Costs of liquidation and payout for the benefit of the investors**

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current

Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) Secondary Listing**

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper

selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instruments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10**

**Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product

and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recov-

ery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entire-

ly until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation

Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:*

**§ 10**  
**(intentionally left blank)]**

[in the case of Knock-Out Warrants with (Product No. 33), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") [issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.][issues products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.]

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each partici-



pant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

*[insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

*[insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot

as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss SIX SIS Bearer Securities:*

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be

transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Prod-

ucts delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Cus-

tody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any

subordinated obligations.]

*[insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

### § 3

#### Definitions

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

*[insert in the case of a share as Underlying or Basket Component: "Share Issuer"* means the company that has issued the [Underlying][Basket Component].]

**["Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

**["Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**["Initial Basket Value"** means the initial basket value as specified in **Table 1** in the Annex.]

**["Number of Basket Component<sub>(i)</sub>"** [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub>.

ment<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Denomination][Initial Basket Value] \* Initial Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

["**Business Day**" means

*[insert in the case of Products with Swiss Francs as Settlement Currency: [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency: [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in [insert principal financial centre for such currency: ●].]*

*[insert in the case of Products with Euro as Settlement Currency: [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]*

*[insert in the case of Products with US Dollar as Settlement Currency: [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]*

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

["**Issue Price**" means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**" means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**" means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**" means the strike level as specified in **Table 1** in the Annex.]

["**Underlying**" means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"]["**Share**"]["**Participation Certificate (Genussschein)**"]["**Security representing Shares**"]["**Commodity**"]["**Currency Exchange Rate**"] ["**Futures Contract**"]["**Fixed Rate Instrument**"]["**Derivative Instrument**"]["**Fund Unit**"]["**Interest Rate**"]["**Reference Rate**"]) *[insert in the case of a share as Underlying or Basket Component:, as issued by the Share Issuer].]*



["**Underlying Valuation Date**" means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**" means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**" means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.] ["**Calculation Agent**" means the calculation agent as specified in **Table 1** in the Annex.]

["**Best Performance**" means the best performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

["**Participation Factor**" means the Participation Factor as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the [Reference] Price of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.][the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component).]

["**Final Basket Value**" means the sum of the Final Levels of all Basket Components.]

["**Final Level of a Basket Component**" means the Final Fixing Level of the Basket Component multiplied by the [Number of Basket Component][Initial Weighting<sub>(i)</sub>]. Accordingly, the Final Level of a Basket Component will be calculated as follows:

$$\text{Final Level of a Basket Component} = Ff_{(i)} * W_{(i)}$$

whereby

"Ff<sub>(i)</sub>" means the Final Fixing Level of the Basket Component<sub>(i)</sub> and

"W<sub>(i)</sub>" means the [Number of Basket Component][Initial Weighting<sub>(i)</sub>].]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. *[insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]*]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

*[insert in the case of an index as Underlying or Basket Component: "Index Sponsor"* means the index sponsor as specified in **Table 2** in the Annex *[for the relevant Basket Component].]*

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Knock-Out Event**" has occurred if on any Business Day [[the Final Fixing Level is [equal to or] below the Knock-Out Level] [the Reference Price is [equal to or] above the Knock-Out Level] at any time during the Knock-Out Period] *[insert in the case of a Basket as Underlying if appropriate: [the Final Basket Value is [equal to or] below the Knock-Out Level as determined by the Calculation] [the Reference Price of the Basket is [equal to or] above the Knock-Out Level during the Knock-Out Period, as determined by the Calculation Agent][the [Reference Price] [Final Fixing Level] of [a] [at least one] Basket Component is [equal to or] [below] [above] the Knock-Out Level for this Basket Component as specified in **Table 1**[2] in the Annex [at any time during the Knock-Out Period]], as determined by the Calculation Agent.]*]

["**Knock-Out Level**" means the Knock-Out Level as specified in **Table 1** in the Annex.]

["**Knock-Out Period**" means the Knock-Out Period as specified in **Table 1** in the Annex.]["**Price**" means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] *[insert Internet site: ●]* [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page

of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Denomination**"] means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**"] means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg][the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**"] means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Rebate**"] means the Rebate as specified in **Table 1** in the Annex.]

["**Redemption Date**"] means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**Worst Performance**"] means the worst performance of the relevant Basket Components as determined by the Calculation Agent, with the performance of each Basket Component being calculated by division of the corresponding Final Fixing Level by the corresponding Initial Fixing Level.]

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

["**Final Fixing Date**"] means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to

the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Exchange Rate Performance**" means the quotient of the Exchange Rate<sub>(Final)</sub> and the Exchange Rate<sub>(Initial)</sub>. "**Exchange Rate<sub>(Final)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][insert other currency: ●] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][insert other currency: ●] which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. "**Exchange Rate<sub>(Initial)</sub>**" means the exchange rate as specified in **Table 2** in the Annex expressed in the [Reference Currency][Settlement Currency][insert other currency: ●] [of the Basket Component with the [Worst][Best] Performance] for 1 unit of the [Reference Currency][Settlement Currency][insert other currency: ●] which is published on the [Initial Fixing Date] [●] on the Exchange Rate Page or on any replacement page.]

["**Exchange Rate Sponsor**" means the exchange rate sponsor as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### *(1) Redemption Amount*

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions

*[insert in the case of Knock-Out Call Warrants:*

(a) - in the case that a Knock-Out Event has not occurred - [and the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is above the [relevant] Strike Level - the [Denomination][Issue Price] multiplied by the product of (i) the Participation Factor and (ii) the difference between (A) the quotient of the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] and the [Initial Fixing Level [of the Basket Component with the [Worst] [Best] Performance]] [Initial Basket Value] and (B) the [relevant] Strike Level.]

[the [Denomination][Issue Price] multiplied by the difference between (A) the quotient of the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] and the [Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Initial Basket Value] and (B) the [relevant] Strike Level; the Redemption Amount is at least zero (0).]

[(b) - in the case that a Knock-Out Event has not occurred and the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is at or below the [relevant] Strike Level – zero (0), i.e. no payments will be made and the Product will expire worthless.]

[(b)] [(c)] – in the case that a Knock-Out Event has occurred – [zero (0), i.e. no payments will be made and the Product will expire worthless][the [Denomination][Issue Price] multiplied by the Re-bate].]

*[insert in the case of Knock-Out Put Warrants:*

(a) - in the case that a Knock-Out Event has not occurred – [and the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is at or below the [relevant] Strike Level - the [Denomination][Issue Price] multiplied by the product of (i) the Participation Factor and (ii) the difference between (A) the [relevant] Strike Level and (B) the quotient of the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] and the [Initial Fixing Level [of the Basket Component with the [Best][Worst] Performance]] [Initial Basket Value].]

[the [Denomination][Issue Price] multiplied by the difference between (A) the [relevant] Strike Level and the quotient of (B) the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] and the [Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Initial Basket Value]; the Redemption Amount is at least zero (0).]

[(b) - in the case that a Knock-Out Event has not occurred and the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is above the [relevant] Strike Level – zero (0), i.e. no payments will be made and the Product will expire worthless.]

[(b)] [(c)] - in the case that a Knock-Out Event has occurred – [zero (0), i.e. no payments will be made and the Product will expire worthless] [the [Denomination][Issue Price] multiplied by the Re-bate].]

The Redemption Amount will be *[insert if Currency Conversion is applicable: converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and]* commercially rounded to two (2) decimal places.

*[insert if Currency Conversion is applicable:*

**(2) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent *[insert if Quanto is not applicable: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant*

day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.]]*insert if Quanto is applicable: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]]*

*insert if neither COSI nor TCM is applicable:*

**(3) Redemption Amount**

The "**Redemption Amount**" in the Settlement Currency per Product equals

*insert in the case of Knock-Out Call Warrants:*

(a) – in the case that a Knock-Out Event has not occurred – [and the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is above the [relevant] Strike Level – the [Denomination][Issue Price] multiplied by the product of (i) the Participation Factor and (ii) the difference between (A) the quotient of the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] and the [Initial Fixing Level [of the Basket Component with the [Best] [Worst] Performance]] [Initial Basket Value] and (B) the [relevant] Strike Level.]

[the [Denomination][Issue Price] multiplied by the difference between (A) the quotient of the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] and the [Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Initial Basket Value] and (B) the [relevant] Strike Level; the Redemption Amount is at least zero (0).]

[(b) – in the case that a Knock-Out Event has not occurred and the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is at or below the Strike Level – zero (0), i.e. no payments will be made and the Product will expire worthless.]

[(b) [(c) – in the case that a Knock-Out Event has occurred – [zero (0), i.e. no payments will be made and the Product will expire worthless]]the [Denomination][Issue Price] multiplied by the Rebate].]

*insert in the case of Knock-Out Put Warrants:*

(a) – in the case that a Knock-Out Event has not occurred – [and the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is at or below the [rele-

vant] Strike Level – the [Denomination][Issue Price] multiplied by the product of (i) the Participation Factor and (ii) the difference between (A) the [relevant] Strike Level and (B) the quotient of the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] and the [Initial Fixing Level [of the Basket Component with the [Worst] [Best] Performance]] [Initial Basket Value].]

[the [Denomination][Issue Price] multiplied by the difference between (A) the [relevant] Strike Level and (B) the quotient of the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] and the [Initial Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Initial Basket Value]; the Redemption Amount is at least zero (0).]

[(b) – in the case that a Knock-Out Event has not occurred and the [Final Fixing Level [of the Basket Component with the [Worst][Best] Performance]] [Final Basket Value] is above the Strike Level – zero (0), i.e. no payments will be made and the Product will expire worthless.]

[(b)] [(c)] – in the case that a Knock-Out Event has occurred – [zero (0), i.e. no payments will be made and the Product will expire worthless] [the [Denomination][Issue Price] multiplied by the Rebate].]

The Redemption Amount will be [*insert if Currency Conversion is applicable*: converted into the Settlement Currency in accordance with paragraph (2), as the case may be, and] commercially rounded to two (2) decimal places.

[*insert if Currency Conversion is applicable*:

**(4) Currency exchange**

The Reference Currency shall be converted into the Settlement Currency by the Calculation Agent [*insert if Quanto is not applicable*: on the basis of the exchange rate expressed in the Reference Currency for 1 unit of the Settlement Currency which is published on the Final Fixing Date on the Exchange Rate Page or on any replacement page. If the conversion is performed at a time on the relevant day when an updated exchange rate is not yet published on the Exchange Rate Page, the Calculation Agent shall perform the conversion on the basis of the exchange rate last published on the Exchange Rate Page. If the Exchange Rate Page is not available on the designated date or if the exchange rate is not published, the exchange rate shall be the exchange rate which is published on the corresponding page of another business information service. If the exchange rate is no longer published in any way mentioned above, the Calculation Agent may determine the exchange rate on the basis of applicable market practice and considering the prevailing market conditions in its reasonable discretion.][*insert if Quanto is applicable*: at an exchange rate of 1 unit of the Reference Currency to 1 unit of the Settlement Currency ("Quanto").]

**§ 5**

**Interest, Coupon Payments**

The Products bear no interest.

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments**

***(1) Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If the Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is



terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) *Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) *Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:*

**§ 10**

**Collateral Secured Instruments (COSI)**

**(1) *Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as se-

curity for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

### ***(2) Documentation***

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

### ***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to

calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

#### ***(4) Distribution and market making***

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

#### ***(5) Risks***

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a

private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to

SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) *Liability***

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) *No authorisation***

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) *Congruence with the Conditions***

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
-------------------	--

§ 10 "Collateral Secured Instruments (COSI)"

investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10**

**Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

**Documentation**



The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Finan-

cial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market

Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

#### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

#### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

#### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

#### **Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether

payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:*

**§ 10  
(intentionally left blank)]**

[in the case of Dual Currency Notes (Product No. 34), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) Currency; Issue Size

Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") [issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.][issues products (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.]

#### (2) Form

[insert in the case of Swiss Uncertificated Securities:

##### (a) Uncertificated Securities, Holders

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent

(*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

**"Custody Agent"** is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[*insert in the case of Swiss Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

[*insert in the case of Swiss CBF Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[*insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of Swiss SIX SIS Bearer Securities:

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depositary on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded.



The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German SIX SIS Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3**

**Definitions**

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

[*insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the company that has issued the [Underlying][Basket Component].*]

["**Alternative Currency**" means the alternative currency specified in **Table 2** in the Annex.]

["**Initial Fixing Level**" means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [offi-

cial closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.]

["**Initial Fixing Period**" means the initial fixing period as specified in **Table 1** in the Annex.]

["**Initial Basket Value**" means the initial basket value as specified in **Table 1** in the Annex.]

["**Number of Basket Component<sub>(i)</sub>**" [means the relevant Number of Basket Component<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex which is determined by the Issuer and/or the Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub> [and the [EUR][●]/Reference Currency<sub>(i)</sub> exchange rate] and takes into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>, corresponding to the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value on the Initial Fixing Date.] [means the weighted share of the respective Basket Component<sub>(i)</sub> in the Initial Basket Value as determined by the Issuer and/or Calculation Agent on the Initial Fixing Date based on the Initial Fixing Level<sub>(i)</sub>, and taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub>. The relevant Number of Basket Component<sub>(i)</sub> corresponds to the [Denomination][Initial Basket Value] multiplied by the quotient of the Initial Weighting<sub>(i)</sub> (dividend) and the Initial Fixing Level<sub>(i)</sub> (converted into the Settlement Currency, if applicable) (divisor): Number of Basket Component<sub>(i)</sub>= [Denomination][Initial Basket Value] \* Initial Weighting<sub>(i)</sub> / Initial Fixing Level<sub>(i)</sub>.] [Initial Weighting means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex.]

["**Business Day**" means

*[insert in the case of Products with Swiss Francs as Settlement Currency:* [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency:* [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in *[insert principal financial centre for such currency: ●].*]

*[insert in the case of Products with Euro as Settlement Currency:* [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with US Dollar as Settlement Currency:* [(in the case of Products with

US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

*[insert in the case of a currency and/or one or more Business Centres: a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [insert currency: ●]] [in the Business Centre[s]] [if no currency is indicated, insert: in each of the Business Centres].]*

["**Issue Price**"] means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**"] means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**"] means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Underlying**"] means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**"] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**"] ["**Futures Contract**"] ["**Fixed Rate Instrument**"] ["**Derivative Instrument**"] ["**Fund Unit**"] ["**Interest Rate**"] ["**Reference Rate**"]) *[insert in the case of a share as Underlying or Basket Component, as issued by the Share Issuer].]*

["**Underlying Valuation Date**"] means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Basket**"] means the Basket comprising the basket components as specified in **Tables 1** and **2** in the Annex.]

["**Basket Component**"] means, subject to an adjustment, each basket component as specified in **Table 2** in the Annex.]

["**Calculation Agent**"] means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**"] means the screen page as specified in **Table 2** in the Annex.]

*[insert in the case of shares and participation certificates (Genussscheine) as Underlying or Basket Component: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]*

["**Coupon Day Count Fraction**"] means the actual number of days in the period from [●] (including) to [●] (excluding) divided by 365 (Actual/365F).]

["**Coupon Rate**"] means the coupon rate as specified in **Table 1** in the Annex.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.][means the Final Basket Value on the Final Fixing Date.] [the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Final Basket Value**" means the sum of the Final Levels of all Basket Components.]

["**Final Level of a Basket Component**" means the Final Fixing Level of the Basket Component multiplied by the [Number of Basket Component][Initial Weighting<sub>(i)</sub>]. Accordingly, the Final Level of a Basket Component will be calculated as follows:

$$\text{Final Level of a Basket Component} = \text{Ff}_{(i)} * \text{W}_{(i)}$$

whereby

"Ff<sub>(i)</sub>" means the Final Fixing Level of the Basket Component<sub>(i)</sub> and

"W<sub>(i)</sub>" means the [Number of Basket Component][Initial Weighting<sub>(i)</sub>].]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [*insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.*]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[*insert in the case of an index as Underlying or Basket Component: "Index Sponsor" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].*]

["**Initial Weighting<sub>(i)</sub>**" means the Initial Weighting<sub>(i)</sub> of the respective Basket Component<sub>(i)</sub> as specified in **Table 2** in the Annex[, as determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent].]

["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [*insert Internet site: ●*] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Relevant Exchange Rate**" of the Reference Currency means [[with respect to [●]] the [●] [mid]rate [of the Reference Currency to the Settlement Currency], which is published [by the Exchange Rate sponsor on the designated Exchange Rate Page] [on the [Reuters page]] [●] or on any replacement page, or, if such rate is not published on any other [Reuters page] [●], the rate published on the page of another screen service] [as determined by the Calculation Agent on basis of the [designated Exchange Rate Page published by the Exchange Rate Sponsor] on the [Reuters page]] [●] or on any replacement page. If such rate is not published on another [Reuters page] [●], the Relevant Exchange Rate means the [●] [mid]rate [of the Reference Currency to Euro], as determined by the Calculation Agent on the basis of the page of another screen service] [*insert other method for determining Relevant Exchange Rate: ●*]. If the abovementioned Exchange Rate can no longer be determined in the way described above or any other way mentioned above, the Calculation Agent may determine the Relevant Exchange Rate on the basis of applicable market practice and considering the prevailing market conditions.]

["**Minimum Redemption Factor**" means the minimum redemption factor as specified in **Table 1** in the Annex.]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency: ●*]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg][the Screen Page] [●] [*insert Internet site: ●*] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

["**TARGET2 System**" means the Trans-European Automated Real-time Gross Settlement Express

Transfer (TARGET2) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto.]

["**Final Fixing Date**" means [the final fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]].] [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Exchange Rate Page**" means the exchange rate page as specified in **Table 2** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

#### § 4

#### Redemption

*[insert if either COSI or TCM is applicable:*

##### ***Redemption Amount***

The "**Redemption Amount**" equals, subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the following amount:

(a) If the Final Fixing Level is at or below the Strike Level, the Redemption Amount equals the Denomination multiplied by the sum of one (1) and the Coupon Rate taking into account the Coupon Day Count Fraction, whereby the result is converted from the Settlement Currency into the Alternative Currency using the Strike Level. In this case, the investor will accordingly receive a Redemption Amount in the Alternative Currency.

(b) If the Final Fixing Level is above the Strike Level, the Redemption Amount in the Settlement Currency equals the Denomination multiplied by the sum of one (1) and the Coupon Rate taking into account the Coupon Day Count Fraction.

The Redemption Amount will be commercially rounded to two (2) decimal places.

*[insert if neither COSI nor TCM is applicable:*

##### ***Redemption Amount***

The Redemption Amount equals the following amount:

(a) If the Final Fixing Level is at or below the Strike Level, the Redemption Amount equals the Denomination multiplied by the sum of one (1) and the Coupon Rate taking into account the Coupon Day Count Fraction, whereby the result is converted from the Settlement Currency into the Alternative Currency using the Strike Level. In this case, the investor will accordingly receive a Redemption Amount in the Alternative Currency.



(b) If the Final Fixing Level is above the Strike Level, the Redemption Amount in the Settlement Currency equals the Denomination multiplied by the sum of one (1) and the Coupon Rate taking into account the Coupon Day Count Fraction.

**§ 5**

**(intentionally left blank)**

**§ 6**

**(intentionally left blank)**

**§ 7**

**(intentionally left blank)**

**§ 8**

**Payments**

***(1) Payments***

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Redemption Date.

If a Redemption Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

***(2) Declaration on Regulation S***

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

***(3) Taxes, Fees and Duties***

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

**§ 9**

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

***(1) Termination Right of Issuer***

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is

terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the scheduled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) *Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) *Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

*[insert in the case COSI is applicable:*

**§ 10**

**Collateral Secured Instruments (COSI)**

**(1) *Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange

a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

### ***(2) Documentation***

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

### ***(3) Collateralization method***

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to

[Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

***(4) Distribution and market making***

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

***(5) Risks***

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in

due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 letter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically

only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

***(10) Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the

payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) *Secondary Listing***

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this § 10 "Collateral Secured Instru- ments (COSI)"	Corresponding definition in these Conditions
investor	Holder
issuer	Issuer
issuing condi- tions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10**

**Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.



The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdic-

tion of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recovery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provid-

er is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("FISA") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:*

**§ 10**  
**(intentionally left blank)]**

[in the case of Stability Notes (Product No. 35), insert:

## § 1

### Form and Issue Size; Definitions; Term of the Products

#### (1) *Currency; Issue Size; Denomination*

[Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products (each a "**Note**" or a "**Product**" and together the "**Notes**" or the "**Products**"). The total nominal amount (the "**Total Nominal Amount**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.][ Leonteq Securities AG[, acting through its Guernsey branch: Leonteq Securities AG, Guernsey Branch] [, acting through its Amsterdam branch: Leonteq Securities AG, Amsterdam Branch] (the "**Issuer**") issues products without par value (each a "**Certificate**" or a "**Product**" and together the "**Certificates**" or the "**Products**"). The number (the "**Number of Products**") and the settlement currency (the "**Settlement Currency**") of the Products are specified in **Table 1** in the Annex.]

#### (2) *Form*

[insert in the case of Swiss Uncertificated Securities:

##### (a) **Uncertificated Securities, Holders**

The Products are issued in uncertificated form in accordance with art. 973c of the Swiss Code of Obligations as uncertificated securities (*Wertrechte*) ("**Uncertificated Securities**").

Uncertificated Securities (*Wertrechte*) will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtbuch*) (the "**Register of Uncertificated Securities**"). Such Uncertificated Securities will then be entered into the main register (*Hauptregister*) of the Custody Agent (the "**Main Register of the Custody Agent**"). Once the Uncertificated Securities are registered in the Main Register of the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Products constituting intermediated securities (*Bucheffekten*) may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e. by the entry of the transferred Products in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Uncertificated Securities into, or the delivery of, a permanent global note (*Dauerglobalurkunde*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant with the Custody Agent. In respect of the Products held in the form of Intermediated Securities,

the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Verwahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

No physical delivery of the Products shall be made unless and until definitive Security Papers (*Wertpapiere*) shall have been printed. Products may only be printed, in whole, but not in part, if the Paying Agent determines, in its sole discretion, that the printing of the Security Papers is necessary or useful.

Should the Paying Agent so determine, it shall provide for the printing of definitive Security Papers without cost to the Holders. Upon delivery of the Security Papers, the Uncertificated Securities will immediately be cancelled by the Issuer and the Security Papers shall be delivered to the Holders against cancellation of the Intermediated Securities in the Holder's securities accounts.

"**Holder**" means the person holding the Products in a securities account in its own name and for its own account.

**(b) Custody Agent**

"**Custody Agent**" is the custody agent as specified in **Table 1** in the Annex, a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).]

[insert in the case of Swiss Bearer Securities:

**(a) Bearer Securities**

The Products are issued in bearer form ("**Bearer Securities**").

**(b) Permanent Global Note, Holder**

[insert in the case of Swiss CBF Bearer Securities:

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right

in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss Euroclear Bearer Securities:*

During their term the Products are represented by a permanent global note in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**"). The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of Swiss SIX SIS Bearer Securities:*

During their term the Products are represented by a permanent global note (*Dauerglobalurkunde*) in accordance with art. 973b of the Swiss Code of Obligations (the "**Permanent Global Note**") in bearer form which shall be deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex ("**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). Once the Permanent Global Note is deposited with the Custody Agent and entered into the securities accounts of one or more participants of the Custody Agent, the Products will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*)

Each Holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Custody Agent the co-ownership interest shall be suspended and the Products may only be transferred by the entry of the transferred Products in a securities account of the transferee, as set out in the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*) regarding the transfer of Intermediated Securities.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities (*Wertrechte*) or definitive security papers (*Wertpapiere*) (the "**Security Papers**").

The records of the Custody Agent will determine the number of Products held through each participant in that Custody Agent. In respect of the Products held in the form of Intermediated Securities, the holders of the Products will be the Holders, i.e. (i) the persons, other than custody agents (*Ver-*

*wahrungsstellen*), holding the Products in a securities account (*Effektenkonto*) with a custody agent (*Verwahrungsstelle*) and (ii) the custody agents (*Verwahrungsstellen*) holding the Products for their own account. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the securities delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

**"Holder"** means the person holding the Products in a securities account in its own name and for its own account.]

*[insert in the case of German Bearer Securities:*

**(a) Bearer Securities**

The Products are issued in bearer form.

*[insert in the case of German CBF Bearer Securities:*

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Permanent Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive securities are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

**"Holder"** means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will as of the Issue Date be represented by a Permanent Global Note:*



**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which shall be signed manually by two authorised signatories of the Issuer. The Permanent Global Note will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Permanent Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

*[insert in the case of German Euroclear Bearer Securities which will initially be represented by a Temporary Global Note:*

**(b) Temporary Global Note, Holder**

(i) At issuance the Products are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons which will be exchangeable for a permanent global note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons against certification of non-U.S. beneficial ownership.

(ii) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the Issue Date. Such exchange and any payment of interest on Products represented by a Temporary Global Note shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Products represented by the Temporary Global Note is not a U.S. person as defined by the U.S. Securities Act of 1933. Any such certification received by *[insert relevant institution: ●]* on or after the 40th day after the Issue Date will be treated as a request to exchange such Temporary Global Note as described above. Any Products delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

The Global Notes will be deposited with a common depository on behalf of the Clearing System in accordance with the applicable rules and regulations until all obligations of the Issuer arising from the Products have been satisfied. Claims for delivery of definitive Products are precluded. The Holders are entitled to co-ownership interests, economic ownership rights or similar rights in the Global Note which are transferable in accordance with the rules and regulations of the Clearing System and in accordance with all applicable legal provisions. Within the collective securities settlement procedure the Products may be transferred solely in units of the minimum trading lot as specified in **Table 1** in the

Annex (the "**Minimum Trading Lot**") or in a whole-number multiple thereof.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law.]

[insert in the case of German SIX SIS Bearer Securities:

**(b) Permanent Global Note, Holder**

During their term the Products are represented by a permanent global note (the "**Permanent Global Note**") without coupons which is deposited by the Paying Agent with the custody agent as specified in **Table 1** in the Annex (the "**Custody Agent**"), a custody agent pursuant to the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*). As soon as the Permanent Global Note has been deposited with the Custody Agent and credited to the securities accounts of one or more participants of the Custody Agent, the Products shall constitute intermediated securities ("**Intermediated Securities**") pursuant to the provisions of the Swiss Federal Intermediated Securities Act (*Bundesgesetz über Bucheffekten*).

Within the scope of his claim against the Issuer, each Holder of Products shall be entitled to a co-ownership share, existing under property law, in the Permanent Global Note. For as long as the Permanent Global Note is deposited with the Custody Agent, the co-ownership share shall be suspended and the Products may be disposed of only subject to the provisions of the Swiss Intermediated Securities Act (*Bundesgesetz über Bucheffekten*), i.e. by crediting the Products to be transferred in a securities account of the recipient.

Neither the Issuer nor the Holders have the right to demand or arrange for the conversion of the Permanent Global Note into uncertificated securities (the "**Uncertificated Securities**") (*Wertrechte*) or security papers (*Wertpapiere*) (the "**Security Papers**"), or to demand or arrange for the delivery of Uncertificated Securities or Securities Papers.

The records of the Custody Agent determine the number of Products held by each participant of the Custody Agent. For the Products which constitute Intermediated Securities, (i) those persons, with the exception of the Custody Agent itself, who hold the Products in a securities account kept with a Custody Agent and (ii) Custody Agents which hold the Products for their own account shall be deemed Holders of the Products. The Paying Agent may assume that a bank or financial intermediary submitting or transmitting to it a notice of the Holder pursuant to these Conditions has been duly authorised by the respective Holder for these purposes.

Products may be delivered physically only if they are represented by definitive Security Papers. The Paying Agent alone has the right to decide on the printing of definitive Security Papers for the Products, in whole, but not in part, if the Paying Agent judges this to be necessary or useful. If the Paying Agent decides to print and deliver Security Papers, this shall not result in any costs being incurred by the Holder. If Security Papers are printed, copies of the signatures of two authorised signatories of the Issuer shall be affixed to printed Security Papers. Without undue delay upon delivery of the Security Papers, the Permanent Global Note shall be invalidated by the Paying Agent and the Security Papers

delivered to the Holders in return for cancellation of the Intermediated Securities in their securities account.

"**Holder**" means any holder of a co-ownership interest or right, an economic ownership right or similar right in the Permanent Global Note, which is in each case transferable in accordance with the terms and regulations of the relevant Clearing System and applicable law. The Holder of Products created as Intermediated Securities (*Bucheffekten*) shall be determined in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).]

**(c) Clearing System**

"**Clearing System**" in each case is the clearing system as specified in Table 1 in the Annex.

**(3) Term of the Products**

The Products are issued with a limited term, i.e. they have a predetermined limited term which ends on the Redemption Date, subject to an extraordinary termination by the Issuer or an early redemption [*insert in the case that the applicable Final Terms provide for a termination in accordance with § 9 of the Issue Specific Conditions: or a termination by the Issuer in case that the TCM Security Agreement is terminated*] [*insert in the case either COSI or TCM is applicable: or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions*].

**§ 2**

**Status of the Products**

[*insert in the case neither COSI nor TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are not secured by any property of the Issuer. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, but excluding any debts for the time being preferred by applicable law and any subordinated obligations.]

[*insert in the case either COSI or TCM is applicable:*

The Products constitute general contractual obligations of the Issuer and are collateralized in accordance with § 10 of the Issue Specific Conditions. The Products shall rank equally among themselves and, save for such exceptions as may be provided by applicable law, *pari passu* with all other collateralized and unsubordinated obligations of the Issuer.]

**§ 3**

**Definitions**

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

[*insert in the case of a share as Underlying or Basket Component: "Share Issuer" means the compa-*

ny that has issued the [Underlying][Basket Component].]

**["Initial Fixing Level"** means [the initial fixing level of the [Underlying] [Basket Component] as specified in **Table 1** in the Annex [which corresponds to the Price of the [Underlying] [Basket Component] on the Initial Fixing Date as determined by the Calculation Agent][which corresponds to the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date] [and] [on the basis of which the Issue Price was determined.]] [[an observed value] [the arithmetic mean of the [official closing prices] [Reference Prices]] of the [Underlying] [Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.] [the Reference Price of the [Underlying] [Basket Component] on the Initial Fixing Date, as determined by the Calculation Agent.] [a Price of the [Underlying] [Basket Component] as determined by the Calculation Agent on the Initial Fixing Date.] [the arithmetic mean of the Reference Prices of the Underlying during the Initial Fixing Period.] [the arithmetic mean of the Reference Prices of all Basket Components on the Initial Fixing Date.] [the lowest Reference Price of the [Underlying][respective Basket Component] during the Initial Fixing Observation Dates, as determined by the Calculation Agent] [is an observed value of the relevant Basket Component on the relevant Exchange on the Initial Fixing Date, defined by the Calculation Agent. The Initial Fixing Level of the relevant Basket Component is specified in **Table 2** in the Annex.] [the weighted average [Price][Reference Price] of the [Underlying][Basket Component] during the Initial Fixing Period as determined by the Calculation Agent.]

**["Initial Fixing Observation Dates"** means the initial fixing observation dates as specified in **Table 1** in the Annex.]

**["Initial Fixing Period"** means the initial fixing period as specified in **Table 1** in the Annex.]

**["Business Day"** means

*[insert in the case of Products with Swiss Francs as Settlement Currency:* [(in the case of Products with Swiss Francs as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with neither Swiss Francs nor Euro as Settlement Currency:* [(in the case of Products with [●] as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in *[insert principal financial centre for such currency: ●].*]

*[insert in the case of Products with Euro as Settlement Currency:* [(in the case of Products with Euro as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) payments are settled via the TARGET2 System and (iii) commercial banks and foreign exchange markets settle payments in Zurich.]

*[insert in the case of Products with US Dollar as Settlement Currency:* [(in the case of Products with US Dollar as Settlement Currency)] a day (other than a Saturday or Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments in New York and Zurich.]

*[insert in the case of a currency and/or one or more Business Centres:* a day (other than a Saturday or

Sunday) on which (i) the Clearing System settles payments and (ii) commercial banks and foreign exchange markets settle payments [in [*insert currency: ●*]] [in the Business Centre[s]] [*if no currency is indicated, insert: in each of the Business Centres.*]]

["**Issue Price**"] means the issue price as specified in **Table 1** in the Annex.]

["**Issue Surcharge**"] means the issue surcharge as specified in **Table 1** in the Annex.]

["**Issue Date**"] means the issue date as specified in **Table 1** in the Annex [or in the event of the subscription period ending prematurely [or being extended], the day as published by the Issuer pursuant to § 4 of the General Conditions].]

["**Strike Level**"] means the strike level as specified in **Table 1** in the Annex.]

["**Conversion Ratio**"] means [the conversion ratio as specified in **Table 1** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level].]][the conversion ratio in respect of the relevant Basket Component as specified in **Table 2** in the Annex. [The Conversion Ratio is calculated by dividing the Issue Price with the [Initial Fixing Level][Strike Level] of the respective Basket Component.]] [*insert for Quanto products: [the conversion ratio which is calculated on the Final Fixing Date by dividing the Issue Price with the Final Fixing Level [of the respective Basket Component].] [If the Issuer has received ordinary dividend payments between the Initial Fixing Date (exclusive) and the Final Fixing Date [(exclusive)] [(inclusive)] in respect of the Underlying, the applicable net dividend (i.e. the dividend amount minus taxes) is reinvested, whereby the Conversion Ratio is adjusted ● Business Days after the receipt of the dividend payment by the Issuer.]*]

["**Gap**"] means the Reference Price of the Underlying on the date on which the Gap Event has occurred divided by the Reference Price of the Underlying on the Exchange Business Day prior to the date on which the Gap Event has occurred.]

["**Gap Observation Period**"] means the gap observation period as specified in **Table 1** in the Annex.]

["**Gap Event**"] has occurred if [the [Price][Reference Price] on any Exchange Business Day during the Gap Observation Period is [equal to or] below the Reference Price on the Exchange Business Day preceding the current Exchange Business Day multiplied by the Strike Level], as determined by the Calculation Agent.]]

["**Gap Level**"] means the gap level as specified in **Table 1** in the Annex.]

["**Underlying**"] means[, subject to a replacement in accordance with these Conditions,] the [Underlying] [Basket] as specified in **Table 1** and **2** in the Annex [(also referred to as the ["**Index**"] ["**Share**"] ["**Participation Certificate (Genussschein)**] ["**Security representing Shares**"] ["**Commodity**"] ["**Currency Exchange Rate**] ["**Futures Contract**] ["**Fixed Rate Instrument**] ["**Derivative Instrument**] ["**Fund Unit**] ["**Interest Rate**] ["**Reference Rate**"]) [*insert in the case of a share as Underlying or Basket Component:., as issued by the Share Issuer.*]

["**Underlying Valuation Date**"] means [each of the dates] [the date] as specified in **Table 1** in the Annex.]

["**Calculation Agent**"] means the calculation agent as specified in **Table 1** in the Annex.]

["**Screen Page**" means the screen page as specified in **Table 2** in the Annex.]

[insert in the case of shares and participation certificates (*Genussscheine*) as Underlying or Basket Component: "**Exchange**" means[, in respect of the Share] the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the [Share][Underlying][Basket Component] has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the [Share][Underlying][Basket Component] on such temporary substitute exchange or quotation system as on the original Exchange).]

["**Coupon Amount**" means the coupon amount as specified in **Table 1**[3] in the Annex.]

["**Coupon Rate**" means the coupon rate as specified in **Table 1** in the Annex.]

["**Coupon Payment Date**" means the coupon payment date as specified in **Table 1**[3] in the Annex or, if this date is not a Business Day, the next following Business Day.]

["**Fiscal Agent**" means the fiscal agent as specified in **Table 1** in the Annex.]

["**Final Fixing Period**" means the period from (and including) the fifth (5<sup>th</sup>) Exchange Business Day immediately prior to the Final Fixing Date up to (and including) the Final Fixing Date.]

["**Final Fixing Level**" means [the Reference Price [of the [Underlying][respective Basket Component] on the Final Fixing Date.][the arithmetic mean of the Reference Prices of the Underlying during the Final Fixing Period.][the arithmetic mean of the Reference Prices of all Basket Components on the Final Fixing Date.][the sum of the Reference Prices of all Basket Components on the Final Fixing Date (taking into account the Initial Weighting<sub>(i)</sub> of the respective Basket Component.)]

["**Initial Fixing Date**" means [the initial fixing date as specified in **Table 1** in the Annex [or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]] [or in the event of the subscription period ending prematurely [or being extended], the day on which the subscription period ends, as published by the Issuer pursuant to § 4 of the General Conditions]. [insert in the case of Products with subscription period: In the event of the postponement of the Underlying Valuation Date corresponding to the Initial Fixing Date, the Initial Fixing Date shall be postponed accordingly.]]

["**Business Centre**" means the business centre as specified in **Table 1** in the Annex.]

[insert in the case of an index as Underlying or Basket Component: "**Index Sponsor**" means the index sponsor as specified in **Table 2** in the Annex [for the relevant Basket Component].]

["**Leverage**" means the leverage as specified in **Table 1** in the Annex.] ["**Price**" [means the [[offer] [mid] [bid] price] [●] of the Underlying] as continuously [determined [and published] on the relevant Exchange] [[calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [[relevant Reuters] [relevant Bloomberg] page] [Screen Page] [●] [insert Internet site: ●] [or as specified in **Table 2** in the Annex or any replacement page] on a Scheduled Trading Day, as determined by the Calculation

Agent.]]

["**Relevant Performance**" [of the relevant Basket Component] means the quotient of the Final Fixing Level (dividend) and the Initial Fixing Level (divisor).]

["**Relevant Reference Price**" [of a Basket Component means the [lowest] [highest] Reference Price of such Basket Component [on the Final Fixing Date] [on every Valuation Date (t)].]

["**Denomination**" means the denomination as specified in **Table 1** in the Annex (as expressed in the Settlement Currency).]

["**Reference Price**" means [the [closing level] [closing price] [Price] [[offer] [mid] [bid] price] [●] [of the Underlying] [of a Basket Component] [in [*insert currency*: ●]] [as determined [and published] on the relevant Exchange] [as [calculated and published by the Index Sponsor] [determined on the relevant Reference Market] [determined by the relevant Reference Agent] [and] [displayed on [Reuters] [Bloomberg][the Screen Page] [●] [*insert Internet site*: ●] [or any replacement page] on a Scheduled Trading Day, as determined by the Calculation Agent.]]

["**Reference Currency**" means the Reference Currency as specified in **Table 2** in the Annex [in respect of the relevant Basket Component].]

["**Redemption Date**" means, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to an extraordinary termination [or subject to a termination according to § 9 of the Issue Specific Conditions] [or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions] [the redemption date as specified in **Table 1** in the Annex] [or, if that date is not a Business Day, the next following Business Day.]] [In the event of the postponement of the Final Fixing Date, the Redemption Date shall be postponed accordingly [irrespective of whether the Redemption Date is postponed for one or more Basket Components].] [the fifth (5<sup>th</sup>) Business Day following the Final Fixing Date.] [In the event of a termination pursuant to § 9 of the Issue Specific Conditions, the Redemption Date shall be [●] Business Day after the Termination Date.]]

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

["**Final Fixing Date**" means the final fixing date as specified in **Table 1** in the Annex or, if such day is not a Scheduled Trading Day [in respect of one or more Basket Components], the next following day which is a Scheduled Trading Day [in respect of [the relevant Basket Component][all Basket Components]]. [In the event of the postponement of the Underlying Valuation Date corresponding to the Final Fixing Date, the relevant Final Fixing Date shall be postponed accordingly.]]

["**Scheduled Trading Day**" has the meaning ascribed in § 11 (3) of the Issue Specific Conditions.]

["**Early Redemption Date**" means the [fifth (5<sup>th</sup>)] [●] Business Day following the date on which the Gap Event has occurred.]

["**Website**" means the Website as specified in **Table 1** in the Annex.]

["**Paying Agent**" means the paying agent as specified in **Table 1** in the Annex.]

["**Exchange Business Day**" [has the meaning ascribed in § 11 (3) of the Issue Specific Conditions] [•].]

**§ 4**

**Redemption**

*[insert if either COSI or TCM is applicable:*

***Redemption Amount***

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions or subject to the occurrence of a Liquidation Event according to § 10 of the Issue Specific Conditions, the [Denomination][Issue Price].

*[insert if neither COSI nor TCM is applicable:*

***Redemption Amount***

The "**Redemption Amount**" in the Settlement Currency per Product equals, subject to an Early Redemption pursuant to § 7 of the Issue Specific Conditions, the [Denomination][Issue Price].

**§ 5**

**Interest, Coupon Payments**

***Coupon Payments***

Provided that no Gap Event has occurred the Holder will receive on the applicable Coupon Payment Date the Coupon Amount (the "**Coupon Amount**") that equals the Coupon Rate multiplied by the [Denomination][Issue Price]. The Coupon Amount will be commercially rounded to two (2) decimal places.

In the case that a Gap Event has occurred, the Holder will not receive any accrued Coupon Amount on the respective Early Redemption Date.

**§ 6**

**(intentionally left blank)**

**§ 7**

**Early Redemption**

***(1) Conditions precedent for Early Redemption***

In the event that on any Exchange Business Day a Gap Event has occurred, the term of the Products shall end automatically on the date on which the Gap Event has occurred without the need for a separate termination of the Products by the Issuer (the "**Early Redemption**"). In this case the Redemption Amount to be paid by the Issuer is determined as follows:



(a) If the Gap is equal to or below the Gap Level, the Redemption Amount is zero (0).

(b) If the Gap is above the Gap Level, the Redemption Amount equals the [Denomination][Issue Price] multiplied by the difference between (A) 100 % and (B) the difference between the Strike Level and the Gap that is multiplied by the Leverage. However, the Redemption Amount is at least zero (0).

## § 8

### Payments

#### *(1) Payments*

The Issuer shall cause the claimed Redemption Amount, if any, to be transferred via the Paying Agent to the Clearing System for transmitting to the Holders by the Early Redemption Date (in the case of an Early Redemption pursuant to § 7 of the Issue Specific Conditions) and/or the Redemption Date (in the case that no Early Redemption has occurred). The Issuer shall transfer the respective Coupon Amount in arrears by the Coupon Payment Date via the Paying Agent to the Clearing System for transmitting to the Holders. If the Early Redemption Date, the Redemption Date or a Coupon Payment Date falls on a day which is not a Business Day and is deferred in accordance with § 3 of the Issue Specific Conditions, the Holder is neither entitled to request further interest or other payments due to the deferment, nor must they accept a reduction in interest due to the deferment.

#### *(2) Declaration on Regulation S*

A declaration that neither the Holder nor the beneficial owner of the Products is a US person is deemed to have been made automatically. The terms used in this paragraph have the meanings attached to them by Regulation S of the United States Securities Act of 1933 as amended from time to time.

#### *(3) Taxes, Fees and Duties*

All taxes, fees and other duties incurred in connection with the exercise of the Products rights shall be borne and paid by the Holder. The Issuer and/or or Paying Agent may withhold from the Redemption Amount or any other amounts payable to the Holder any taxes, fees or duties which are to be paid by the Holder according to the above sentence.

## § 9

**[(not applicable)][insert in the case of TCM Secured Products (if applicable) : Termination right of the Issuer in the case that the TCM Security Agreement is terminated**

#### *(1) Termination Right of Issuer*

In the case that the TCM Security Agreement (as defined in § 10 of the Issue Specific Conditions) is terminated and that due to the the termination of the TCM Security Agreement it is not possible to secure the Products in accordance with the provisions of the TCM Security Agreement until the sched-

uled maturity, the Issuer is entitled at any time to terminate all, but not individual, Products during their term via publication in accordance with § 4 of the General Conditions, stating the calendar date on which the termination will take effect (the "**Termination Date**") and observing a notice period of at least one month before the relevant Termination Date. In the event of such a termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product at the time when bid and ask prices for the Product are last quoted immediately prior to the end of the securitization pursuant to the TCM Security Agreement on the Termination Date.

**(2) *Transfer of the Redemption Amount in case of termination***

The Issuer shall by the Redemption Date cause the Redemption Amount to be transferred to the Clearing System for crediting to the accounts of the Products depositors at the Clearing System. In the event of a termination according to paragraph (1), the notice referred to in § 8 (2) of the Issue Specific Conditions shall be deemed to have been made automatically.

**(3) *Taxes, fees or other duties***

All taxes, fees and other duties incurred in connection with the payment of the Redemption Amount in case of termination shall be borne and paid by the Holder. The Issuer and/or Paying Agent may withhold from the relevant amount any taxes, fees or duties that have to be paid by the Holder in accordance with the above sentence.]

[insert in the case COSI is applicable:

**§ 10**

**Collateral Secured Instruments (COSI)**

**(1) *Collateralization of the Product***

COSI-Product (hereinafter «COSI Product» or «Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments». The Issuer («Collateral Provider») undertakes to secure the value of the COSI Product at any given time as well as the further claims listed in the Framework Agreement.

Security must be provided to SIX Swiss Exchange in the form of a regular right of lien. The collateral is booked to a SIX Swiss Exchange account with SIX SIS. Investors do not themselves have a surety right to the collateral. The COSI Product and the collateral shall be valued on each banking day. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX Swiss Exchange on an ongoing basis from various categories of securities. The issuer shall, upon enquiry, inform investors about the collateral that is permitted as security for the COSI Product at any given time. The Collateral Provider shall pay SIX Swiss Exchange a fee for the service regarding the collateralization of the COSI Products. A change of Collateral Provider shall be notified in accordance with the provisions of these Conditions.

If FINMA orders the liquidation (bankruptcy) regarding SIX Swiss Exchange or SIX SIS, the collateralization shall continue during two Banking Days which follow such order. After expiration of the two Banking Days without occurrence of a Realization Event the collateralization shall stop and a Realization Event cannot occur anymore; the Collateral is transferred back from the account of SSX at SIX SIS to the account of the Guarantor at SIX SIS. If a Realization Event occurs during these two Banking Days, clause 11 shall be applicable. SSX and SIX SIS shall notify the public, by announcement on their websites, of the order of FINMA and the stop of collateralization.

**(2) Documentation**

The collateralization in favor of SIX Swiss Exchange is based on the «Framework Agreement for Collateral Secured Instruments» between SIX Swiss Exchange, SIX SIS, and the Issuer (also as the Collateral Provider) valid from 01 January 2019 (“Framework Agreement”). The investor is not party to the Framework Agreement. The issuer shall, upon request, provide the Framework Agreement to investors free of charge in the original German version or in an English translation. The Framework Agreement may be obtained from Leonteq Securities AG at Europaallee 39, 8004 Zurich, Switzerland via telephone +41 58 800 1000, fax +41 58 800 1010 or via e-mail [termsheet@leonteq.com](mailto:termsheet@leonteq.com). The core elements of collateralization of the COSI Products are summarized in a SIX Swiss Exchange information sheet, which is available at “[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)”.

**(3) Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the COSI at any given time (hereinafter «Current Value»). The Current Values shall be determined in the trading currency of the COSI Product and converted into Swiss francs for the purpose of calculating the required collateral. The method for calculating the Current Value shall be determined for each COSI Product upon application for (provisional) admission to trading and shall remain unchanged for the entire term of the COSI Product. If prices for the COSI Product calculated by third parties are available (so-called «Fair Values»), they are taken into account when determining the Current Value in accordance with the provisions of the rules and regulations of SIX Swiss Exchange. Otherwise, the determination of the Current Value will take into account the «bond floor pricing», as defined by the Swiss Federal Tax Administration, Berne (Switzerland). For as long as no bond floor is available for a COSI Product that is subject to bond floor pricing, the Current Value shall correspond at least to the capital protection laid down in the redemption terms for the COSI Product. If the final bid-side purchase price of the COSI Product on the previous trading day on SIX Structured Products Exchange AG is higher, the collateral requirement shall always be based on this latter price. If the aforementioned prices for COSI Products are unavailable at any given time, then other prices shall be used to calculate the required collateral, in accordance with the rules and regulations of SIX Swiss Exchange. The Current Values required for the collateralization of the COSI Product shall be determined exclusively in accordance with the provisions of the «Special Conditions for Collateral Secured Instruments» of SIX Swiss Exchange. The Current Value of Product shall be determined according to [Method A: Fair Value Method] [Method B: Bond Floor Method] (the "**Value Determination Method**") of these Special Conditions of SIX Swiss Exchange.

***(4) Distribution and market making***

The distribution of the COSI Product shall be the responsibility of the issuer. The issuer undertakes to ensure that market making for the COSI Product is in place.

If FINMA orders the liquidation (bankruptcy, regarding SIX Swiss Exchange or SIX SIS, trading in all COSIs under this Framework Agreement shall be suspended immediately and the COSIs shall be delisted. The obligation for market making shall expire with this suspension of trading. The Issuer is obliged to ensure an over-the-counter (OTC) market making for the certificates for their remaining duration and to repurchase the certificates from the Investors at their corresponding market value. This right of reselling of the Investors vis-à-vis the Issuer is based on a genuine contract in favor of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations). SIX Swiss Exchange and SIX SIS shall notify the public, by announcement on their websites, of the obligations of the Issuer regarding over-the-counter market making and repurchasing of the certificates.

***(5) Risks***

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Liquidation Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the COSI Product rises or the value of the collateral decreases; (ii) in a Liquidation Event, the collateral cannot be liquidated immediately by SIX Swiss Exchange because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of COSI Product in a foreign currency according to the Framework Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) is made in Swiss francs; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Framework Agreement for the benefit of the investors in COSI Product.

***(6) Liquidation of 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 furnish the required collateral, fails to do so in due time, or if the collateral that is provided is not free from defects, unless any such defect is remedied within three (3) banking days; (ii) the issuer fails to fulfil a payment or delivery obligation under a COSI Product upon maturity according to the issuing conditions, fails to do so in due time, or if its fulfilment of such obligations is defective, unless any such defect is remedied within three (3) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under Article 26 paragraph 1 let-

ter (f) to (h) of the Federal Act on Banks and Savings Banks, or restructuring measures or the liquidation (winding-up proceedings) under Article 25 et seq. of the Federal Act on Banks and Savings Banks; (iv) a foreign financial market supervisory authority, another competent foreign authority or a competent foreign court orders an action that is comparable with that described in item (iii) above; (v) the market making obligation is breached for ten (10) consecutive banking days; (vi) the Collateral Provider's participation at SIX SIS ceases; (vii) the provisional admission of the COSI Product to trading lapses or is cancelled and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the lapse or cancellation of the provisional admission; or (viii) the COSI Product are delisted upon application by the issuer or for any other reason, and the issuer fails to satisfy investors' claims according to the issuing conditions of the COSI Product within thirty (30) banking days of the last trading day. The Framework Agreement provides for the exact time at which each Liquidation Event occurs. The remedy of a Liquidation Event is not possible.

***(7) Determination of a Liquidation Event***

SIX Swiss Exchange is not required to undertake investigations with regard to the occurrence of a Liquidation Event. In determining the occurrence of a Liquidation Event, it bases its decision on reliable sources of information only. SIX Swiss Exchange determines with binding effect for the investors that an incident qualifies as a Liquidation Event and at what point in time the Liquidation Event occurred.

***(8) Procedure in case of a Liquidation Event***

If a Liquidation Event occurs, SIX Swiss Exchange is at its own discretion entitled: (i) to make public the occurrence of a Liquidation Event immediately or at a later stage in suitable form, specifically in a newspaper with a national distribution and on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation). Once a Liquidation Event has occurred, trading in all COSI Products of the issuer may be suspended, and the COSI Products of the issuer may be delisted.

***(9) Maturity of the COSI Products as well as investors' claims against SIX Swiss Exchange and the issuer***

All of the issuer's COSI Products under the Framework Agreement shall fall due for redemption thirty (30) banking days after a Liquidation Event has occurred. SIX Swiss Exchange shall make public the due date in a newspaper with a national distribution, as well as on the SIX Swiss Exchange website ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com) under the section „News“); **Investors' claims against SIX Swiss Exchange for the payment of their pro-rata share of the net liquidation proceeds** arise automatically only once the COSI Products have fallen due for redemption. Investors' claims against SIX Swiss Exchange are based on a genuine contract in favour of third parties (Article 112 paragraph 2 of the Swiss Code of Obligations) which is irrevocable on the part of the Collateral Provider. The acquisition of a

COSI Product by an investor automatically entails the declaration vis-à-vis SIX Swiss Exchange, as described in Art. 112 paragraph 3 of the Swiss Code of Obligations, that he wishes to enforce his right under the Framework Agreement at maturity of the COSI Product. In dealings with SIX Swiss Exchange and SIX SIS, the investors are bound by the provisions of the Framework Agreement, specifically the **choice of Swiss law and the exclusive jurisdiction of the Commercial Court of Canton Zurich (Switzerland)**.

If a Liquidation Event has occurred, SIX Swiss Exchange will determine the Current Values of all COSI Products of the issuer in the respective trading currency with binding effect for the issuer, the Collateral Provider and the investors. **Investors' claims against the issuer** will be based on these Current Values when the COSI Products mature in accordance with the Framework Agreement. The Current Values of the COSI Products on the banking day immediately preceding the date on which the Liquidation Event occurred shall be applicable. SIX Swiss Exchange shall make public the applicable Current Values of the COSI Products.

**(10) *Costs of liquidation and payout for the benefit of the investors***

The costs incurred in connection with the liquidation and payout (including taxes and duties, as well as consulting fees) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. For this purpose, SIX Swiss Exchange shall deduct a flatrate fee of 0.1 percent from the entire liquidation proceeds for its own expenses and for the expenses of third parties. In addition, SIX Swiss Exchange shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider and the issuer under the terms of the Framework Agreement. The remaining net liquidation proceeds are available for payout to the investors in COSI Products of the issuer.

SIX Swiss Exchange will transfer the pro-rata share of net liquidation proceeds due to investors to SIX SIS participants. In doing so, it is released from all further obligations. The amounts transferred are determined by the holdings of COSI Products that are booked to participant accounts with SIX SIS. If the issuer which, according to the Framework Agreement, is affected by the maturity of its COSI Products, is a SIX SIS participant, then SIX Swiss Exchange and SIX SIS shall decide on a separate procedure for the payment of the pro-rata share of net liquidation proceeds to those investors who hold their COSI Product via the issuer. SIX Swiss Exchange may transfer the pro-rata share of net liquidation proceeds for these investors to one or more other SIX SIS participants or to one or more third parties, which will attend to the payment to investors in COSI Products either directly or indirectly. In doing so, SIX Swiss Exchange is released from all further obligations. SIX Swiss Exchange may decide at its own discretion to have the payment of the pro-rata share of net liquidation proceeds for other or all investors in COSI Products conducted by one or more other SIX SIS participants or by one or more third parties.

The payouts to investors are made exclusively in Swiss francs. The claim of the investors is non-interest-bearing. SIX Swiss Exchange is not liable to pay either default interest or damages should the payout be delayed for any reason.

The maximum claim of an investor to satisfaction from the net liquidation proceeds of collateral is determined by the sum of the Current Values of his COSI Products. Should the combined Current

Values of all investors in the issuer's COSI Products exceed the net liquidation proceeds, payment of pro-rata shares of net liquidation proceeds to individual investors will be made according to the ratio between the total Current Values held by individual investors and the total Current Values accruing to all investors in COSI Products of the issuer.

In the case of COSI Products in a different trading currency than the Swiss franc, SIX Swiss Exchange shall, with binding effect for the parties to the Framework Agreement and the investors, convert the Current Values into Swiss francs in order to determine the pro-rata share of net liquidation proceeds. The exchange rates according to the rules and regulations of SIX SIS on the banking day immediately preceding the date on which the Liquidation Event occurred, shall be applicable. The conversion of the Current Values of COSI Products of a different trading currency than the Swiss franc pertains only to the amount and the effect of the payout of pro-rata net liquidation proceeds by SIX Swiss Exchange to investors in such COSI Products and shall have no further effect on the relationship between the investor and the issuer. SIX Swiss Exchange shall make public these values of the COSI Products as well as the applicable exchange rates.

The investors' claims against the issuer arising from the COSI Products are reduced by the amount of the payment of the pro-rata net liquidation proceeds. In the case of COSI Products of a different trading currency than the Swiss franc the reduction amount of the claim of the investor against the issuer shall be determined in accordance with the conversion rate of the particular trading currency of the COSI Products to the Swiss franc applicable on the banking day immediately preceding the date on which the Liquidation Event occurred.

No further investor claims exist against SIX Swiss Exchange, SIX SIS or other persons which are involved in the collateralization service for COSI Products under the terms of the Framework Agreement.

**(11) Secondary Listing**

Apart from the primary listing of the COSI Products on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Products shall be disregarded under the Framework Agreement. In particular, prices of the COSI Products on secondary exchanges are not taken into consideration for the calculation of the Current Value and events which are related to a listing or admission to trading of the COSI Products on a secondary exchange, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Products from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Products pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

**(12) Liability**

The liability of parties to the Framework Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded. SIX Swiss Exchange shall only be liable for third parties, which are mandated with the valuation of COSI Products, in case of improper

selection and instruction of such third parties. Where the payment of pro-rata shares of net liquidation proceeds of COSI Products is made via SIX SIS participants to the extent these participants hold the COSI Products in accounts at SIX SIS, SIX Swiss Exchange and SIX SIS are liable only for the careful instruction of these SIX SIS participants. If the payment is made via third parties or via SIX SIS participants in respect of COSI Products that are not booked to these participants' accounts at SIX SIS, then SIX Swiss Exchange and SIX SIS are liable only for the careful selection and instruction.

**(13) No authorisation**

COSI Products do not constitute collective investment schemes pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA). They do not require authorisation or supervision by the Swiss Financial Market Supervisory Authority FINMA.

**(14) Congruence with the Conditions**

This section "Collateral Secured Instruments (COSI)" corresponds to the SIX Swiss Exchange standard text. The terms contained herein are incorporated as follows in the Conditions:

Term used in this	Corresponding definition in these Conditions
§ 10 "Collateral Secured Instruments (COSI)"	
investor	Holder
issuer	Issuer
issuing conditions	Terms and Conditions, Conditions
maturity	Redemption, Redemption Date, Final Fixing Date]

*[insert in the case TCM is applicable:*

**§ 10**

**Triparty Collateral Management (TCM)**

The TCM Secured Structured Product (the "**TCM Secured Product**") is secured in accordance with the terms of the TCM Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the TCM Secured Products at any given time.

The Investor in the TCM Secured Product ("**Collateral Taker**") represented by SIX Repo AG ("**Collateral Agent**") (defined in detail below in "**Documentation**"), has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG (the "**collateral account**"). The TCM Secured Product



and the collateral shall be valued on each banking day. SIX SIS AG, acting as an independent third party, manages both the collateral account and the collateral assignment for the individual TCM Secured Product. The Collateral Provider has no right to dispose of the collateral in the collateral account or to close or transfer the collateral account. The TCM secured products and collateral are valued on each business day. The collateral required for the TCM Secured Products is valued by SIX SIS AG on the basis of the price information provided by the Issuer and published in the market information system of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value of the TCM Secured Product (refer to the section below "**Collateralisation method**"). Permitted types of collateral shall be selected by SIX SIS AG on an ongoing basis. For example, as permitted types of collateral, the TCM Security Agreement provides cash deposits in specified currencies (e.g. in CHF, EUR, USD, GBP, or JPY) and certain types of securities (e.g. securities that directly or indirectly aggregate the TCM Secured Product), securities may only be used as collateral, if the price is not older than four business days. The Collateral Provider shall, upon request at any given time, inform investors about the collateral that is eligible. The costs for the collateralisation of the TCM Secured Products will be included in the issue price and will not be billed separately to investors.

### **Documentation**

The collateralization in favour of the Collateral Taker with regard to the TCM Secured Product issued by the Issuer is based on the Security Agreement between the issuer (who is also the Collateral Provider), the Collateral Taker, represented by the Collateral Agent, and SIX SIS AG ("**TCM Security Agreement**"). The issuer shall, upon request, provide the TCM Security Agreement to investors free of charge. Additionally, the TCM Security Agreement may be obtained from Leonteq Securities AG, Europaallee 39, CH-8004 Zurich, via telephone (+41-(0)58-800 1000), fax (+41-(0)58-800 1010) or e-mail (termsheet@leonteq.com).

Under the terms of the TCM Security Agreement, the relevant Issuer is responsible for issuing and pricing the product. The Issuer is at the same time the Collateral Provider and, to that extent, is responsible for selecting the collateral actually available for a deposit from the eligible types of collateral. Furthermore, the Collateral Provider provides collateral to the custodian, i.e. SIX SIS AG, and grants a lien in favour of the Collateral Taker with regard to the collateral.

The Collateral Taker is the holder or investor in the TCM Secured Product under the TCM Security Agreement. The collateral taker is the beneficiary for any proceeds from the sale of the corresponding TCM Secured Product, if a liquidation event occurs. By purchasing the TCM Secured Product, the Collateral Taker agrees to exercise its rights under the TCM Security Agreement solely through the TCM Collateral Agent, i.e. the acquisition of a TCM Secured Product by an investor is automatically accompanied by a declaration to the TCM Collateral Agent as its representative may exercise the rights under the TCM Security Agreement in the event of the Realisation Events listed herein. Investors are bound by the provisions of the TCM Security Agreement and particularly the choice of Swiss law and the exclusive jurisdiction of the courts of the Canton of Zurich (Switzerland) vis-à-vis the TCM Collateral Agent and SIX SIS AG.

The Collateral Agent, i.e. SIX Repo AG, acts in accordance with the TCM Security Agreement as the direct representative of the Collateral Taker and acts on behalf of and in its name. In the case of a recov-

ery case, the Collateral Agent will use the collateral in favour of the Collateral Taker (see below under "**Liquidation of collateral**").

SIX SIS AG acts as custodian under the TCM Security Agreement, and is responsible for the administration of the collateral account on which the collateral is booked. SIX SIS AG acts, in this regard, as a neutral and independent service provider and is not subject to the directions of the Collateral Provider as the account holder. Furthermore, SIX SIS AG shall act as an administrator under the TCM Security Agreement, i.e. the company monitors and manages the collateral assigned to the individual TCM Secured Product. The administrator calculates the collateral requirements for a TCM Secured Product several times throughout the day, and automatically assigns additional collateral to each product, if necessary. If additional security is required, the administrator informs the guarantor. Furthermore, the administrator will inform the Collateral Agent, if Realisation Event has occurred.

#### **Collateralization method**

The collateral that must be furnished by the Collateral Provider is determined by the value of the TCM Secured Product at any given time (hereinafter "**Current Value**"). The Current Value of the TCM Secured Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each TCM Secured Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

#### **Distribution and market making**

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

#### **Risks**

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the TCM Secured Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation; (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entire-

ly until the liquidation can take place; (iv) the maturity of the TCM Secured Product in a foreign currency according to the TCM Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency; (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the TCM Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the TCM Secured Product during its lifetime and that the investor might have to hold the TCM Secured Product until maturity.

### **Liquidation of collateral**

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the TCM Secured Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("**Banking Act**"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act ("**Realization Events**"). The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

### **Determination of a Realization Event**

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

### **Procedure in case of a Realization Event**

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

### **Maturity of the TCM Secured Product as well as investor claims against the Issuer**

The Collateral Taker shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("**FISA**") over the securities and a lien according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Product. The Realisation Event with regard to a TCM Secured Product only triggers the Realisation

Event for this particular TCM Secured Product (and not other TCM Secured Products of the Issuer). If a Realisation Event with regard to a TCM Secured Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realisation Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the Issuer will be based on these Current Values when the TCM Secured Products mature in accordance with the TCM Security Agreement.

**Costs of liquidation and payout for the benefit of the investors**

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties that arise in conjunction with liquidation) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance and out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the TCM Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the TCM Secured Product.

The pro-rata share of the net liquidation proceeds due to investors will be paid to investors via the banks' securities processing system on a delivery versus payment basis. The Collateral Agent defines whether payment shall be made in the currency of the product or in Swiss francs. The Collateral Agent is thus released from all further obligations. The claim of the investors is non-interest-bearing. Payment to investors may be delayed for factual or legal reasons. If the payout is delayed for any reason, the Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages. Each TCM Secured Product will only be secured by the collateral assigned on the collateral account to the respective TCM Secured Product. The investors' claims against the Issuer arising from the TCM Secured Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralisation service for the TCM Secured Product under the terms of the TCM Security Agreement.

*[insert in the case neither COSI nor TCM is applicable:*

**§ 10**  
**(intentionally left blank)]**

**Part B. Underlying Specific Conditions**

*[insert in the case of Products linked to Shares as Underlying or as a Basket Component:*

**§ 11****Market Disruption*****(1) Consequences of Disrupted Days***

*[insert if "Single Underlying and Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Individual Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Common Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled

Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

**(2) Existence of a Market Disruption Event**

"**Market Disruption Event**" means

the occurrence or existence of (1) a Trading Disruption, (2) an Exchange Disruption, which in either case the Issuer and/or Calculation Agent regard as material, at any time during the one-hour period that ends at the relevant Valuation Time, or (3) an Early Closure.

**(3) Definitions**

"**Valuation Time**" means, in respect of the Share, the time at which the official closing price of the Share is calculated on and published by the Exchange. If the Exchange closes prior to its Scheduled Closing Time and the Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

"**Exchange Business Day**" means, in respect of the Share, any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Disruption**" means, in respect of the Share, any event (other than an Early Closure) that disrupts or impairs (as determined by the Issuer and/or Calculation Agent) the ability of market participants in general (1) to effect transactions in, or obtain market values for, the Share on the Exchange, or (2) to effect transactions in, or obtain market values for, futures or options contracts relating to such Share on any relevant Related Exchange.

"**Trading Disruption**" means, in respect of the Share, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (1) relating to the Share on the Exchange or (2) in futures or options contracts relating to the Share on any relevant Related Exchange.

"**Disrupted Day**" means, in respect of the Share, any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"**Related Exchange(s)**" means, in respect of the Share, each exchange or quotation system, any suc-

cessor to such exchange or quotation system or any substitute exchange or quotation system where trading has a material effect (as determined by the Issuer and/or Calculation Agent in its reasonable discretion) on the overall market for futures or options contracts relating to such Share.

**"Scheduled Closing Time"** means, in respect of the Share, and in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

**"Scheduled Trading Day"** means, in respect of the Share, any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

**"Early Closure"** means, in respect of the Share, the closure on any Exchange Business Day of any relevant Exchange(s) relating to the Share or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (1) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (2) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

## § 12

### Adjustments

#### *(1) Conditions precedent for an adjustment*

In the case of a Potential Adjustment Event or Extraordinary Event the Issuer and/or Calculation Agent are entitled to adjust the Conditions taking into account the following provisions. The Issuer and/or Calculation Agent is, however, not obliged to perform adjustments.

#### *(2) Existence and consequences of a Potential Adjustment Event*

##### **(a) Existence of a Potential Adjustment Event**

A **"Potential Adjustment Event"** is given in the case of any of the following events, as determined by the Issuer and/or Calculation Agent:

- (i) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of relevant Shares of (1) such Shares or (2) other share capital or securities granting the right to payment of dividends and/or a share in the proceeds of liquidation of the Share Issuer equally or proportionately with such payments to holders of such Shares or (3) share capital or other securities of another share issuer acquired or owned (directly or indirectly) by the Share Issuer as a result of a spin-off or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by

the Issuer and/or Calculation Agent;

- (iii) an amount per Share which the Issuer and/or Calculation Agent determine should be characterised as an extraordinary dividend;
- (iv) a call by the Share Issuer in respect of relevant Shares that are not fully paid;
- (v) a repurchase by the Share Issuer or any of its affiliates of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of the Share Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Share Issuer pursuant to a shareholder rights plan or similar arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Issuer and/or Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any exercise of such rights; or
- (vii) any other event that may have, in the opinion of the Issuer and/or Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

**(b) Consequences of a Potential Adjustment Event**

Following the declaration of any Potential Adjustment Event in relation to the Share, the Issuer and/or Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Share and, if so, will:

- (i) make the corresponding adjustment(s), if appropriate, to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for that diluting or concentrative effect; and
- (ii) determine the effective date(s) of the adjustment(s). In such case, such adjustments shall be deemed to be so made from such date(s). The Issuer and/or Calculation Agent may (but need not) perform the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by the Related Exchange(s).

**(3) Existence and consequences of an Extraordinary Event**

**(a) Existence of an Extraordinary Event**

An "**Extraordinary Event**" is given in the case of a Merger Event, a Tender Offer, a Nationalisation, an Insolvency or a Delisting.

**(b) Consequences of an Extraordinary Event**

- (i) In respect of a Merger Event or Tender Offer, the following will apply:

On or after the relevant Merger Date or Tender Offer Date (or such other date as the Issuer and/or Calculation Agent deem relevant), the Issuer and/or Calculation Agent shall (1) make such adjustment to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for the eco-



conomic effect of such Merger Event or Tender Offer, or other event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Share), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event or Tender Offer by the Related Exchange(s) to options on the Share traded thereon and (2) determine the effective date of that adjustment.

(ii) In respect of a Nationalisation, Insolvency or Delisting, the following will apply:

On or after the date of the occurrence of the Nationalisation, Insolvency and/or Delisting, as determined by the Issuer and/or Calculation Agent, the Issuer and/or Calculation Agent shall (1) make such adjustment to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for the economic effect on the Products of the relevant event, (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Share), which may, but need not, be determined by reference to the adjustment(s) made in respect of a Nationalisation, Insolvency or Delisting by the Related Exchange(s) to options on the Share traded thereon and (2) determine the effective date of that adjustment.

**(4) Notification of Adjustments**

Upon making any adjustment pursuant to these Conditions, the Issuer and/or Calculation Agent shall give notice to the Holders in accordance with § 4 of the General Conditions, stating the relevant adjustment.

**(5) Definitions**

**"Delisting"** means, in respect of a Share, that the relevant Exchange announces that pursuant to the rules of such Exchange, the Share ceases (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and is not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any Member State of the European Union).

**"Merger Event"** means, in respect of a Share, any (1) reclassification or change of such Share that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (2) consolidation, amalgamation, merger or binding share exchange of the Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding), (3) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Shares of the Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (4) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or its affiliates with or into another entity in which the Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding Shares immediately following

such event (a "**Reverse Merger**") in each case if the Merger Date is on or before the Final Fixing Date or, if and to the extent the applicable Final Terms provide for physical settlement, the Redemption Date.

"**Insolvency**" means, in respect of a Share, that by reason of the voluntary or involuntary liquidation, winding-up, dissolution, bankruptcy or insolvency or any analogous proceeding affecting a Share Issuer (1) all the Shares of such Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (2) holders of the Shares of such Share Issuer become legally prohibited from transferring them.

"**Merger Date**" means the closing date of a Merger Event (as determined by the Issuer and/or Calculation Agent) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer and/or Calculation Agent.

"**Tender Offer**" means, in respect of a Share, a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing or otherwise obtaining or having the right to obtain, by conversion or other means, more than 10% and less than 100% of the outstanding voting shares of the Share Issuer, as determined by the Issuer and/or Calculation Agent, based upon filings made to governmental or self-regulatory agencies or such other information as the Issuer and/or Calculation Agent deem relevant.

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold (which shall be more than 10% and less than 100% of the outstanding voting shares of the Share Issuer) are actually purchased or otherwise obtained (as determined by the Issuer and/or Calculation Agent).

"**Nationalisation**" means, in respect of a Share, that all the Shares of a Share Issuer or all the assets or substantially all the assets of such Share Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

*[insert in the case of a Basket as Underlying:*

***(6) Additional adjustments in the case of a Basket as Underlying***

If in relation to a Basket Component an adjustment (as described in the Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to the Conditions in relation to each Basket Component) be entitled, but not obliged to either

- (i) remove from the Basket the affected Basket Component without replacement (if applicable by implementing correction factors with respect to the remaining Basket Components) or
- (ii) replace the Basket Component in whole or in part by a new Basket Component (if applicable by implementing correction factors with respect to the Basket Components contained in the Basket) (the "**Successor Basket Component**").

In this case the Successor Basket Component will be deemed to be the Basket Component and any reference in these Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.]

### § 13

#### Extraordinary Termination

##### *(1) Existence of an Additional Termination Event*

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"**Additional Termination Event**" means [an Increased Cost of Hedging][,][a Change in Law][,][a Hedging Disruption][,][an Insolvency Filing][,] [and] [a Failure to Deliver][,] [and] [a Reduced Number of Shares][,] [and] [an Increased Cost of Collateralization].

##### *(2) Redemption in the event of an Extraordinary Termination*

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8.

##### *(3) Definitions*

["**Increased Cost of Hedging**"] means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Increased Cost of Collateralization**"] means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision "**Borrowing Entity**" means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["**Change in Law**"] means that on or after the Issue Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing au-

thority), the Issuer and/or Calculation Agent determine in good faith that (X) it has become illegal to hold, acquire or dispose of the Underlying(s) or, in the case of a Basket as Underlying, one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).]

["**Hedging Entity**" means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Insolvency Filing**" means, in respect of a Share, that the Share Issuer institutes or has instituted against it by a regulator, supervisor or similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its principal or registered office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Issuer shall not be deemed an Insolvency Filing.]

["**Failure to Deliver**" means, in respect of a Share, the failure of the Share Issuer to deliver, when due, the relevant Shares, where such failure to deliver is due to illiquidity in the market for such Shares.]

["**Reduced Number of Shares**" means that at any time following an Extraordinary Event there remain less than [●] Shares of Share Issuers (the "**Relevant Number of Shares**") for the purposes of determining the redemption of the Products in accordance with these Conditions.]]

*[insert in the case of Products linked to Participation Certificates (Genussscheine) as Underlying or as a Basket Component:*

**§ 11**  
**Market Disruption**

***(I) Consequences of Disrupted Days***

*[insert if "Single Underlying and Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Individual Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Common Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight

(8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

**(2) Existence of a Market Disruption Event**

"**Market Disruption Event**" means

the occurrence or existence of (1) a Trading Disruption, (2) an Exchange Disruption, which in either case the Issuer and/or Calculation Agent regard as material, at any time during the one-hour period that ends at the relevant Valuation Time, or (3) an Early Closure.

**(3) Definitions**

"**Valuation Time**" means, in respect of the Participation Certificate (*Genussschein*), the time at which the official closing price of the Participation Certificate (*Genussschein*) is calculated on and published by the Exchange. If the Exchange closes prior to its Scheduled Closing Time and the Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

"**Exchange Business Day**" means, in respect of the Participation Certificate (*Genussschein*), any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Disruption**" means, in respect of the Participation Certificate (*Genussschein*) Participation Certificate (*Genussschein*), any event (other than an Early Closure) that disrupts or impairs (as determined by the Issuer and/or Calculation Agent) the ability of market participants in general (1) to effect transactions in, or obtain market values for, the Participation Certificate (*Genussschein*) on the Exchange, or (2) to effect transactions in, or obtain market values for, futures or options contracts relating to such Participation Certificate (*Genussschein*) on any relevant Related Exchange.

"**Trading Disruption**" means, in respect of the Participation Certificate (*Genussschein*), any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (1) relating to the Participation Certificate (*Genussschein*) on the Exchange or (2) in futures or options contracts relating to the Participation Certificate (*Genussschein*) on any relevant Related Exchange.

"**Disrupted Day**" means, in respect of the Participation Certificate (*Genussschein*), any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during

its regular trading session or on which a Market Disruption Event has occurred.

**"Related Exchange(s)"** means, in respect of the Participation Certificate (*Genussschein*), each exchange or quotation system, any successor to such exchange or quotation system or any substitute exchange or quotation system where trading has a material effect (as determined by the Issuer and/or Calculation Agent in its reasonable discretion) on the overall market for futures or options contracts relating to such Participation Certificate (*Genussschein*).

**"Scheduled Closing Time"** means, in respect of the Participation Certificate (*Genussschein*), and in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

**"Scheduled Trading Day"** means, in respect of the Participation Certificate (*Genussschein*), any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

**"Early Closure"** means, in respect of the Participation Certificate (*Genussschein*), the closure on any Exchange Business Day of any relevant Exchange(s) relating to the Participation Certificate (*Genussschein*) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (1) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (2) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

## § 12

### Adjustments

#### *(1) Conditions precedent for an adjustment*

In the case of a Potential Adjustment Event or Extraordinary Event the Issuer and/or Calculation Agent are entitled to adjust the Conditions taking into account the following provisions. The Issuer and/or Calculation Agent is, however, not obliged to perform adjustments.

#### *(2) Existence and consequences of a Potential Adjustment Event*

##### **(a) Existence of a Potential Adjustment Event**

A **"Potential Adjustment Event"** is given in the case of any of the following events, as determined by the Issuer and/or Calculation Agent:

- (i) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of relevant Participation Certificate (*Genussschein*) and/or shares of the respective issuer of (1) such Participation Certificate (*Ge-*

*nussschein*) and/or shares or (2) other share capital or securities granting the right to payment of dividends and/or a share in the proceeds of liquidation of the issuer equally or proportionately or (3) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the issuer of the Participation Certificates (*Genussscheine*) as a result of a spin-off or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Issuer and/or Calculation Agent;

- (iii) an amount per share which the Issuer and/or Calculation Agent determine should be characterised as an extraordinary dividend;
- (iv) a call by the issuer of the Participation Certificate (*Genussschein*) in respect of relevant shares that are not fully paid;
- (v) a repurchase by the respective issuer of the Participation Certificate (*Genussschein*) or any of its affiliates of relevant shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of the issuer of the Participation Certificate (*Genussschein*), an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Share Issuer pursuant to a shareholder rights plan or similar arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Issuer and/or Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any exercise of such rights;
- (vii) an amendment or adjustment of the conditions of the Participation Certificate (*Genussschein*); or
- (viii) any other event that may have, in the opinion of the Issuer and/or Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Participation Certificates (*Genussscheine*).

**(b) Consequences of a Potential Adjustment Event**

Following the declaration of any Potential Adjustment Event in relation to the Participation Certificate (*Genussschein*), the Issuer and/or Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Participation Certificate (*Genussschein*) and, if so, will:

- (i) make the corresponding adjustment(s), if appropriate, to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for that diluting or concentrative effect; and
- (ii) determine the effective date(s) of the adjustment(s). In such case, such adjustments shall be deemed to be so made from such date(s). The Issuer and/or Calculation Agent may (but need not) perform the appropriate adjustment(s) by reference to the adjustment(s) in respect of such



Potential Adjustment Event made by the Related Exchange(s).

**(3) Existence and consequences of an Extraordinary Event**

**(a) Existence of an Extraordinary Event**

An "**Extraordinary Event**" is given in the case of a Merger Event, a Tender Offer, a Nationalisation, an Insolvency or a Delisting.

**(b) Consequences of an Extraordinary Event**

**(i)** In respect of a Merger Event or Tender Offer, the following will apply:

On or after the relevant Merger Date or Tender Offer Date (or such other date as the Issuer and/or Calculation Agent deem relevant), the Issuer and/or Calculation Agent shall (1) make such adjustment to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for the economic effect of such Merger Event or Tender Offer, or other event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Participation Certificate (*Genussschein*)), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event or Tender Offer by the Related Exchange(s) to options on the Participation Certificate (*Genussschein*) traded thereon and (2) determine the effective date of that adjustment.

**(ii)** In respect of a Nationalisation, Insolvency or Delisting, the following will apply:

On or after the date of the occurrence of the Nationalisation, Insolvency and/or Delisting, as determined by the Issuer and/or Calculation Agent, the Issuer and/or Calculation Agent shall (1) make such adjustment to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for the economic effect on the Products of the relevant event, (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Participation Certificate (*Genussschein*)), which may, but need not, be determined by reference to the adjustment(s) made in respect of a Nationalisation, Insolvency or Delisting by the Related Exchange(s) and (2) determine the effective date of that adjustment.

**(4) Notification of Adjustments**

Upon making any adjustment pursuant to these Conditions, the Issuer and/or Calculation Agent shall give notice to the Holders in accordance with § 4 of the General Conditions, stating the relevant adjustment.

**(5) Definitions**

"**Delisting**" means, in respect of a Participation Certificate (*Genussschein*), that the relevant Exchange announces that pursuant to the rules of such Exchange, the Participation Certificate (*Genussschein*) ceases (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and is not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is

within the European Union, in any Member State of the European Union).

**"Merger Event"** means, in respect of a Participation Certificate (*Genussschein*), any (1) reclassification or change of such share of the respective issuer that results in a transfer of or an irrevocable commitment to transfer all of such shares of the respective issuer outstanding to another entity or person, (2) consolidation, amalgamation, merger or binding exchange of the shares of the issuer of the Participation Certificates (*Genussscheine*) with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such issuer of the Participation Certificates (*Genussscheine*) is the continuing entity and which does not result in a reclassification or change of all such shares outstanding), (3) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding shares of the issuer of the Participation Certificates (*Genussscheine*) that results in a transfer of or an irrevocable commitment to transfer all such shares (other than such shares owned or controlled by such other entity or person), or (4) consolidation, amalgamation, merger or binding share exchange of the issuer of the Participation Certificates (*Genussscheine*) or its affiliates with or into another entity in which the issuer of the Participation Certificates (*Genussscheine*) is the continuing entity and which does not result in a reclassification or change of all such shares outstanding but results in the outstanding shares (other than shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding shares immediately following such event (a **"Reverse Merger"**) in each case if the Merger Date is on or before the Final Fixing Date or, if and to the extent the applicable Final Terms provide for physical settlement, the Redemption Date.

**"Insolvency"** means, in respect of a Participation Certificate (*Genussschein*), that by reason of the voluntary or involuntary liquidation, winding-up, dissolution, bankruptcy or insolvency or any analogous proceeding affecting the issuer of the respective Participation Certificate (*Genussschein*) (1) all the shares of such issuer are required to be transferred to a trustee, liquidator or other similar official or (2) holders of shares of such issuer become legally prohibited from transferring them.

**"Merger Date"** means the closing date of a Merger Event (as determined by the Issuer and/or Calculation Agent) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer and/or Calculation Agent.

**"Tender Offer"** means, in respect of a Participation Certificate (*Genussschein*), a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing or otherwise obtaining or having the right to obtain, by conversion or other means, more than 10% and less than 100% of the outstanding voting shares of the respective issuer, as determined by the Issuer and/or Calculation Agent, based upon filings made to governmental or self-regulatory agencies or such other information as the Issuer and/or Calculation Agent deem relevant.

**"Tender Offer Date"** means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold (which shall be more than 10% and less than 100% of the outstanding voting shares of the Share Issuer) are actually purchased or otherwise obtained (as determined by the Issuer and/or Calculation Agent).

"**Nationalisation**" means, in respect of a Participation Certificate (*Genussschein*), that all the shares of the respective issuer of the Participation Certificate (*Genussschein*) or all the assets or substantially all the assets of such issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

*[insert in the case of a Basket as Underlying:*

***(6) Additional adjustments in the case of a Basket as Underlying***

If in relation to a Basket Component an adjustment (as described in the Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to the Conditions in relation to each Basket Component) be entitled, but not obliged to either

- (i) remove from the Basket the affected Basket Component without replacement (if applicable by implementing correction factors with respect to the remaining Basket Components) or
- (ii) replace the Basket Component in whole or in part by a new Basket Component (if applicable by implementing correction factors with respect to the Basket Components contained in the Basket) (the "**Successor Basket Component**").

In this case the Successor Basket Component will be deemed to be the Basket Component and any reference in these Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.]

**§ 13**

**Extraordinary Termination**

***(1) Existence of an Additional Termination Event***

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"**Additional Termination Event**" means [an Increased Cost of Hedging][,][a Change in Law][,][a Hedging Disruption][,][an Insolvency Filing][,] [and] [an Increased Cost of Collateralization].

***(2) Redemption in the event of an Extraordinary Termination***

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8.

**(3) Definitions**

["**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Increased Cost of Collateralization**" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision "**Borrowing Entity**" means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["**Change in Law**" means that on or after the Issue Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer and/or Calculation Agent determine in good faith that (X) it has become illegal to hold, acquire or dispose of the Underlying(s) or, in the case of a Basket as Underlying, one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).]

["**Hedging Entity**" means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Insolvency Filing**" means, in respect of a Participation Certificate (*Genussschein*), that the respective issuer of the Participation Certificates (*Genussscheine*) institutes or has instituted against it by a regulator, supervisor or similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its principal or registered office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions pre-

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sented by creditors and not consented to by the issuer of the Participation Certificates (*Genussscheine*) shall not be deemed an Insolvency Filing.]

*[insert in the case of Products linked to an Index as Underlying or as a Basket Component:]*

**§ 11**  
**Market Disruption**

***(1) Consequences of Disrupted Days***

*[insert if "Single Underlying and Postponement of the Underlying Valuation Date" is applicable:]*

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Individual Postponement of the Underlying Valuation Date" is applicable:]*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Common Postponement of the Underlying Valuation Date" is applicable:]*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

*(2) Existence of a Market Disruption Event*

"**Market Disruption Event**" means

the occurrence or existence of (1) a Trading Disruption or (2) an Exchange Disruption, which in either case the Issuer and/or Calculation Agent regard as material, at any time during the one-hour period that ends at the relevant Valuation Time, or (3) an Early Closure. For the purpose of determining whether a Market Disruption Event in respect of an Index exists at any time, if a Market Disruption Event occurs in respect of a security included in the Index at any time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that security and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event.

*(3) Definitions*

"**Valuation Time**" means, in respect of the Index, the time at which the official closing level of the Index is calculated and published by the Index Sponsor.

"**Exchange**" means, in respect of the Index, any exchange or quotation system, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the components contained in such Index has relocated or temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the components underlying such Index on such temporary substitute exchange or quotation system as on the original Exchange).

"**Exchange Business Day**" means, in respect of the Index, any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Disruption**" means, in respect of the Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Issuer and/or Calculation Agent) the ability of market participants in general (1) to effect transactions in, or obtain market values on, any relevant Exchange for securities that comprise 20 per cent or more of the level of such Index, or (2) to effect transactions in, or obtain market values for, futures or options contracts relating to such Index on any relevant Related Exchange.

"**Trading Disruption**" means, in respect of the Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise

(1) relating to securities that comprise 20 per cent or more of the level of such Index on any relevant Exchange or (2) in futures or options contracts relating to the Index on any relevant Related Exchange.

**"Disrupted Day"** means, in respect of the Index, any Scheduled Trading Day on which (1) the Index Sponsor fails to publish the level of the Index, (2) a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or (3) on which a Market Disruption Event has occurred.

**"Related Exchange(s)"** means, in respect of the Index, each exchange or quotation system, any successor to such exchange or quotation system or any substitute exchange or quotation system where trading has a material effect (as determined by the Issuer and/or Calculation Agent in its reasonable discretion) on the overall market for futures or options contracts relating to such Index.

**"Scheduled Closing Time"** means, in respect of the Index, and in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

**"Scheduled Trading Day"** means, in respect of the Index, any day on which the Index Sponsor is scheduled to calculate and publish the level of the Index.

**"Early Closure"** means, in respect of the Index, the closure on any Exchange Business Day of any relevant Exchange(s) relating to securities that comprise 20 per cent or more of the level of the relevant Index or any Related Exchange(s) prior to its Scheduled Closing Time, unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (1) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (2) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

## § 12

### Adjustments

#### *(1) Successor Index Sponsor calculates and announces the Index*

If the Index is (x) not calculated and announced by the Index Sponsor but is calculated and announced by a successor to the Index Sponsor (the **"Successor Index Sponsor"**) acceptable to the Issuer and/or Calculation Agent or (y) replaced by a successor index using, in the determination of the Issuer and/or Calculation Agent, the same or a substantially similar formula for, and method of, calculation as used in the calculation, of such Index, then in each case that index (the **"Successor Index"**) will be deemed to be the Index.

#### *(2) Index Modification, Index Cancellation and Index Disruption*

If, in the determination of the Issuer and/or Calculation Agent, in respect of the Index (x) on or before any Underlying Valuation Date the Index Sponsor or (if applicable) Successor Index Sponsor an-



nounces that it will make a material change in the formula for or method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent securities and capitalisation and other routine events) (an "**Index Modification**") or permanently cancels the Index or the Index may no longer be used as a consequence of new regulatory provisions and no Successor Index exists (an "**Index Cancellation**"); or (y) on any Underlying Valuation Date the Index Sponsor or (if applicable) Successor Index Sponsor fails to calculate and announce the level of the Index (an "**Index Disruption**"), then the Issuer and/or Calculation Agent shall determine if such event has a material effect on the Products and, if so, shall calculate the relevant amount using, in lieu of a published level for the Index, the level for the Index as at the relevant date as determined by the Issuer and/or Calculation Agent in accordance with the formula for and method of calculating the Index last in effect prior to that change, failure or cancellation, but using only those securities that comprised the Index immediately prior to that event and shall notify the Holders thereof (in accordance with § 4 of the General Conditions). None of the Issuer and/or Calculation Agent or the Paying Agents shall have any responsibility in respect of any error or omission or subsequent correction made in the calculation or publication of an index, whether caused by negligence or otherwise.

**(3) Notification of Adjustments**

Upon making any adjustment pursuant to these Conditions, the Issuer and/or Calculation Agent shall give notice to the Holders in accordance with § 4 of the General Conditions, stating the relevant adjustment.

*[insert in the case of a Basket as Underlying:*

**(4) Additional adjustments in the case of a Basket as Underlying**

If in relation to a Basket Component an adjustment (as described in the Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to the Conditions in relation to each Basket Component) be entitled, but not obliged to either

- (i) remove from the Basket the affected Basket Component without replacement (if applicable by implementing correction factors with respect to the remaining Basket Components) or
- (ii) replace the Basket Component in whole or in part by a new Basket Component (if applicable by implementing correction factors with respect to the Basket Components contained in the Basket) (the "**Successor Basket Component**").

In this case the Successor Basket Component will be deemed to be the Basket Component and any reference in these Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.]

### § 13

#### Extraordinary Termination

##### *(1) Existence of an Additional Termination Event*

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 of the Issue Specific Conditions is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"**Additional Termination Event**" means [an Increased Cost of Hedging][,] [and] [a Change in Law][,] [and] [a Hedging Disruption][,] [and] [an Increased Cost of Collateralization].

##### *(2) Redemption in the event of an Extraordinary Termination*

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8 of the Issue Specific Conditions.

##### *(3) Definitions*

["**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Increased Cost of Collateralization**" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision "**Borrowing Entity**" means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["**Change in Law**" means that on or after the Issue Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer and/or Calculation Agent determine in good faith that (X) it has become illegal to

hold, acquire or dispose of the components contained in the Underlying(s) and/or one or more Basket Components, or (Y) the use of the Underlying or one of the components contained in the Underlying the Products are linked to has become illegal, or (Z) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).]

**"Hedging Entity"** means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.

**["Hedging Disruption"** means that the Hedging Entity is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]]

*[insert in the case of Products linked to a Security representing shares as Underlying or as a Basket Component:*

## § 11

### Market Disruption

#### *(I) Consequences of Disrupted Days*

*[insert if "Single Underlying and Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Individual Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Common Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

*(2) Existence of a Market Disruption Event*

"**Market Disruption Event**" means

- (a) in respect of the Security representing Shares, (x) the occurrence or existence of (1) a Trading Disruption, (2) an Exchange Disruption, which in either case the Issuer and/or Calculation Agent regard as material, at any time during the one-hour period that ends at the relevant Valuation Time, or (3) an Early Closure, in each case in relation to the Security representing Shares, or (y) the existence of a Market Disruption Event in relation to the relevant Underlying Share and
- (b) in respect of an Underlying Share, the occurrence or existence of (1) a Trading Disruption, (2) an Exchange Disruption, which in either case the Issuer and/or Calculation Agent regard as material, at any time during the one-hour period that ends at the relevant Valuation Time, or (3) an Early Closure, in each case in respect of such Underlying Share.

*(3) Definitions*

"**Share**" means (i) for the determination whether a Potential Adjustment Event, a Merger Event, a Tender Offer, a Nationalisation or an Insolvency has occurred, the Underlying Share and (ii) for all other purposes, the Underlying Share and the Security representing Shares.

"**Share Issuer**" means the company that has issued the Underlying Share.

"**Valuation Time**" means, in respect of a Share, the time at which the official closing price of the Share is calculated on and published by the Exchange. If the Exchange closes prior to its Scheduled Closing Time and the Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

"**Underlying Share**" means the relevant share represented by the Security representing Shares, as issued by the relevant Share Issuer.

"**Exchange**" means

(i) in respect of the Security representing Shares, the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Security representing Shares has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the Security representing Shares on such temporary substitute exchange or quotation system as on the original Exchange); and

(ii) in respect of the Underlying Share, the exchange on which the Underlying Share is principally

traded, as determined by the Issuer and/or Calculation Agent.

**"Exchange Business Day"** means, in respect of a Share, any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

**"Exchange Disruption"** means, in respect of a Share, any event (other than an Early Closure) that disrupts or impairs (as determined by the Issuer and/or Calculation Agent) the ability of market participants in general (1) to effect transactions in, or obtain market values for, the Shares on the Exchange, or (2) to effect transactions in, or obtain market values for, futures or options contracts relating to such Shares on any relevant Related Exchange.

**"Trading Disruption"** means, in respect of a Share, any suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (1) relating to the Share on the Exchange or (2) in futures or options contracts relating to the Shares on a relevant Related Exchange.

**"Disrupted Day"** means, in respect of the Security representing Shares, any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

**"Related Exchange(s)"** means, in respect of a Share, each exchange or quotation system, any successor to such exchange or quotation system or any substitute exchange or quotation system where trading has a material effect (as determined by the Issuer and/or Calculation Agent in its reasonable discretion) on the overall market for futures or options contracts relating to such Share.

**"Scheduled Closing Time"** means, in respect of a Share and in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

**"Scheduled Trading Day"** means, in respect of a Share, any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

**"Early Closure"** means, in respect of a Share, the closure on any Exchange Business Day of any relevant Exchange(s) relating to the Share or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (1) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (2) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

**§ 12**  
**Adjustments**

***(1) Conditions precedent for an adjustment***

In the case of any amendments or supplements to terms of the Deposit Agreement for the Security representing Shares, any Potential Adjustment Event or any Extraordinary Event the Issuer is entitled to adjust the Conditions taking into account the following provisions. The Issuer is, however, not obliged to perform adjustments.

***(2) Existence and consequences of a Potential Adjustment Event***

**(a) Existence of a Potential Adjustment Event**

A "**Potential Adjustment Event**" is given in the case of any of the following events, as determined by the Issuer and/or Calculation Agent:

- (i) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of relevant Shares of (1) such Shares or (2) other share capital or securities granting the right to payment of dividends and/or a share in the proceeds of liquidation of the Share Issuer equally or proportionately with such payments to holders of such Shares or (3) share capital or other securities of another share issuer acquired or owned (directly or indirectly) by the Share Issuer as a result of a spin-off or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Issuer and/or Calculation Agent;
- (iii) an amount per Share which the Issuer and/or Calculation Agent determine should be characterised as an extraordinary dividend;
- (iv) a call by the Share Issuer in respect of relevant Shares that are not fully paid;
- (v) a repurchase by the Share Issuer or any of its affiliates of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of the Share Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Share Issuer pursuant to a shareholder rights plan or similar arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Issuer and/or Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any exercise of such rights; or
- (vii) any other event that may have, in the opinion of the Issuer and/or Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

**(b) Consequences of a Potential Adjustment Event**

If the terms of the Deposit Agreement for the Security representing Shares are amended or supplemented or following the declaration of any Potential Adjustment Event in relation to the Security representing Shares, the Issuer and/or Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Security representing Shares and, if so, will:

- (i) make the corresponding adjustment(s), if appropriate, to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for that diluting or concentrative effect; and
- (ii) determine the effective date(s) of the adjustment(s). In such case, such adjustments shall be deemed to be so made from such date(s). The Issuer and/or Calculation Agent may (but need not) perform the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by the Related Exchange(s).

**(3) Existence and consequences of an Extraordinary Event****(a) Existence of an Extraordinary Event**

An "**Extraordinary Event**" is given in the case of a Merger Event, a Tender Offer, a Nationalisation, an Insolvency or a Delisting.

**(b) Consequences of an Extraordinary Event**

- (i) In respect of a Merger Event or Tender Offer, the following will apply:

On or after the relevant Merger Date or Tender Offer Date (or such other date as the Issuer and/or Calculation Agent deem relevant), the Issuer and/or Calculation Agent shall (1) make such adjustment to the Conditions as the Issuer and/or Calculation Agent determines appropriate to account for the economic effect of such Merger Event or Tender Offer, or other event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Underlying Share or to the Security representing Shares) on the Products, which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event or Tender Offer by the Related Exchange(s) to options on the relevant Underlying Share or on the Security representing Shares traded thereon and (2) determine the effective date of that adjustment.

- (ii) In respect of a Nationalisation, Insolvency or Delisting, the following will apply:

On or after the date of the occurrence of the Nationalisation, Insolvency and/or Delisting, as determined by the Issuer and/or Calculation Agent, the Issuer and/or Calculation Agent shall (1) make such adjustment to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for the economic effect of the relevant event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Underlying Share or the Security representing Shares) on the Products, which may, but need not, be determined by reference to the adjustment(s) made in respect of a Nationalisation, Insolvency or Delisting by the Related Exchange(s)



to options on the Underlying Share or on the Security representing Shares traded thereon and (2) determine the effective date of that adjustment.

***(4) Replacement of the Security representing Shares***

If the Deposit Agreement is terminated, then on or after the date of such termination, references to the Security representing Shares shall be replaced by references to the Underlying Shares and the Issuer and/or Calculation Agent will adjust any relevant terms and will determine the effective date of such replacement and adjustments.

***(5) Notification of Adjustments***

Upon making any adjustment pursuant to these Conditions, the Issuer and/or Calculation Agent shall give notice to the Holders in accordance with § 4 of the General Conditions, stating the relevant adjustment.

***(6) Definitions***

**"Delisting"** means, in respect of a Share, that the relevant Exchange announces that pursuant to the rules of such Exchange, the Share ceases (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and is not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any Member State of the European Union).

**"Merger Event"** means, in respect of a Share, any (1) reclassification or change of such Share that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (2) consolidation, amalgamation, merger or binding share exchange of the Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding), (3) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Shares of the Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (4) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or its affiliates with or into another entity in which the Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding Shares immediately following such event (a "**Reverse Merger**") in each case if the Merger Date is on or before the Final Fixing Date or, if and to the extent the applicable Final Terms provide for physical settlement, the Redemption Date.

**"Deposit Agreement"** means the agreement or other instrument constituting the Securities representing Shares, as amended from time to time.

"**Insolvency**" means, in respect of a Share, that by reason of the voluntary or involuntary liquidation, winding-up, dissolution, bankruptcy or insolvency or any analogous proceeding affecting a Share Issuer (1) all the Shares of such Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (2) holders of the Shares of such Share Issuer become legally prohibited from transferring them.

"**Merger Date**" means the closing date of a Merger Event (as determined by the Issuer and/or Calculation Agent) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer and/or Calculation Agent.

"**Tender Offer**" means, in respect of a Share, a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing or otherwise obtaining or having the right to obtain, by conversion or other means, more than 10% and less than 100% of the outstanding voting shares of the Share Issuer, as determined by the Issuer and/or Calculation Agent, based upon filings made to governmental or self-regulatory agencies or such other information as the Issuer and/or Calculation Agent deem relevant.

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold (which shall be more than 10% and less than 100% of the outstanding voting shares of the Share Issuer) are actually purchased or otherwise obtained (as determined by the Issuer and/or Calculation Agent).

"**Nationalisation**" means, in respect of a Share, that all the Shares of a Share Issuer or all the assets or substantially all the assets of such Share Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

*[insert in the case of a Basket as Underlying:*

***(7) Additional adjustments in the case of a Basket as Underlying***

If in relation to a Basket Component an adjustment (as described in the Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to the Conditions in relation to each Basket Component) be entitled, but not obliged to either

(i) remove from the Basket the affected Basket Component without replacement (if applicable by implementing correction factors with respect to the remaining Basket Components) or

(ii) replace the Basket Component in whole or in part by a new Basket Component (if applicable by implementing correction factors with respect to the Basket Components contained in the Basket) (the "**Successor Basket Component**").

In this case the Successor Basket Component will be deemed to be the Basket Component and any reference in these Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.]

## § 13

### Extraordinary Termination

#### *(1) Existence of an Additional Termination Event*

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 of the Issue Specific Conditions is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"**Additional Termination Event**" means [an Increased Cost of Hedging][,] [and] [a Change in Law][,] [and] [a Hedging Disruption][,] [and] [an Insolvency Filing][,] [and] [a Failure to Deliver][,] [and] [a Reduced Number of Shares][,] [and] [an Increased Cost of Collateralization].

#### *(2) Redemption in the event of an Extraordinary Termination*

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8 of the Issue Specific Conditions.

#### *(3) Definitions*

["**Increased Cost of Hedging**"] means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Increased Cost of Collateralization**"] means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision "**Borrowing Entity**" means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["**Change in Law**"] means that on or after the Issue Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing au-

thority), the Issuer and/or Calculation Agent determine in good faith that (X) it has become illegal to hold, acquire or dispose of the Underlying(s) and/or one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).]

["**Hedging Entity**"] means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**"] means that the Hedging Entity is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Insolvency Filing**"] means, in respect of a Share, that the Share Issuer institutes or has instituted against it by a regulator, supervisor or similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its principal or registered office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Issuer shall not be deemed an Insolvency Filing.]

["**Failure to Deliver**"] means, in respect of a Share, the failure of the Share Issuer to deliver, when due, the relevant Shares, where such failure to deliver is due to illiquidity in the market for such Shares.]

["**Reduced Number of Shares**"] means that at any time following an Extraordinary Event there remain less than [●] Shares of Share Issuers (the "**Relevant Number of Shares**") for the purposes of determining the redemption of the Products in accordance with these Conditions.]]

*[insert in the case of Products linked to a Commodity as Underlying or as a Basket Component:]*

**§ 11**  
**Market Disruption**

***(1) Consequences of Disrupted Days***

*[insert if "Single Underlying and Postponement of the Underlying Valuation Date" is applicable:]*

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Individual Postponement of the Underlying Valuation Date" is applicable:]*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Common Postponement of the Underlying Valuation Date" is applicable:]*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

*(2) Existence of a Market Disruption Event*

"**Market Disruption Event**" means

- (a) (i) the failure of a Reference Market or Price Source to announce or publish a price relevant for the Products; or (ii) the temporary or permanent discontinuance or unavailability of such Price Source; or (iii) the disappearance or permanent discontinuance or unavailability of a price relevant for the Products (notwithstanding the availability of the related Price Source or the status of trading in the relevant Commodity);
- (b) the material suspension or limitation of trading in the Commodity on the relevant Reference Market or in futures or options contracts relating to the Commodity on a futures exchange where such contracts are usually traded;
- (c) the failure of trading to commence, or the permanent discontinuation of trading, (i) in the Commodity on the Reference Market or (ii) in futures or options contracts relating to the Commodity on a futures exchange where such contracts are usually traded;
- (d) the occurrence since the Initial Fixing Date of a material change (i) in the formula for or method of calculating the price relevant for the Products; or (ii) in the content, composition or constitution of the Commodity or of futures or options contracts relating to the Commodity, or
- (e) the imposition of, change in, or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, the Commodity or futures or options contracts relating to the Commodity (other than a tax on, or measured by reference to, overall gross or net income) by any government or tax authority, if the direct effect of such imposition, change or removal is to raise or lower a relevant price on a Underlying Valuation Date from what it would have been without such imposition, change or removal.

*(3) Definitions*

"**Price Source**" means, in respect of the Commodity, the price source as specified in **Table 2** in the Annex providing the relevant price of the Commodity for the Products.

"**Reference Market**" means, in respect of the Commodity, the reference market or the quotation system as specified in **Table 2** in the Annex, any successor to such reference market or quotation system or any substitute reference market or quotation system to which trading in the Commodity has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the Commodity on such temporary substitute reference market or quotation system as on the original reference market).

**"Disrupted Day"** means, in respect of the Commodity, any Scheduled Trading Day on which a relevant Reference Market fails to open for trading during its regular trading session or on which a Market Disruption Event - except for a Permanent Market Disruption Event (to the extent applicable)- has occurred.

**"Scheduled Trading Day"** means, in respect of the Commodity, any day on which the Reference Market is scheduled to calculate and publish the Price of the Commodity or, as the case may be, the Price Source is scheduled to publish the Price of the Commodity.

## § 12 Adjustments

### *(1) Substitution of Reference Market and/or Price Source*

If the quotation of or trading in the Commodity on the Reference Market or the publication of the relevant price of the Commodity by the Price Source is permanently discontinued while concurrently the quotation or trading is maintained or is commenced on another reference market or if the relevant price of the Commodity is published by another price source, the Issuer shall be entitled to stipulate such other reference market as the new Reference Market and/or such other price source as the Price Source (the "**Substitute Reference Market**" or the "**Substitute Price Source**") through publication in accordance with § 4 of the General Conditions, provided that the Issuer has not terminated the Products in accordance with § 13 of the Issue Specific Conditions. In the case of such a substitution, any reference in the Conditions to the Reference Market and/or Price Source thereafter shall be deemed to refer to the Substitute Reference Market and/or Substitute Price Source.

### *(2) Changes in the Commodity*

If at any time the Commodity is terminated and/or replaced by another value or if the Commodity is traded in a different quality, in a different consistency (e.g. with a different degree of purity or a different point of origin) or in a different standard measuring unit, the Issuer and/or the Calculation Agent are entitled, provided that the Issuer has not terminated the Products in accordance with § 13 of the Issue Specific Conditions, to make an adjustment to the Conditions, which in the assessment of the Issuer and/or the Calculation Agent is appropriate to reflect the amendments and/or to replace the Commodity with a successor commodity (the "**Successor Commodity**") which is economically equivalent to the original relevant concept of the Commodity. As the case may be, the Issuer and/or the Calculation Agent will multiply the relevant price of the Commodity by an adjustment factor in order to ensure the continuity of the development of the reference value(s) underlying the Products.

The Successor Commodity and the date of its initial application shall be published in accordance with § 4 of the General Conditions. Any reference in the Conditions to the Commodity shall, to the extent appropriate, be deemed to refer to the Successor Commodity.

**§ 13****Extraordinary Termination*****(1) Existence of an Additional Termination Event***

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 of the Issue Specific Conditions is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"**Additional Termination Event**" means [a Permanent Market Disruption Event][,] [and] [an Increased Cost of Hedging][,] [and] [a Change in Law][,] [and] [a Hedging Disruption][,] [and] [an Increased Cost of Collateralization].

***(2) Redemption in the event of an Extraordinary Termination***

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8 of the Issue Specific Conditions.

***(3) Definitions***

["**Permanent Market Disruption Event**" means, in respect of the Commodity, any one or more of the events set out in (a), (b), (c), (d) and (e) in the definition as set out in § 11 (2) of the Issue Specific Conditions of "Market Disruption Event", if such event is in the determination of the Issuer and/or Calculation Agent permanent.]

["**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Increased Cost of Collateralization**" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision "**Borrowing Entity**" means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]



["**Change in Law**" means that on or after the Issue Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer and/or Calculation Agent determine in good faith that (X) it has become illegal to hold, acquire or dispose of the Underlying(s) and/or one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).]

["**Hedging Entity**" means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

*[insert in the case of Products linked to a currency exchange rate as Underlying or as a Basket Component:]*

## § 11

### Market Disruption

#### *(1) Consequences of Disrupted Days*

*[insert if "Single Underlying and Postponement of the Underlying Valuation Date" is applicable:]*

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Individual Postponement of the Underlying Valuation Date" is applicable:]*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Common Postponement of the Underlying Valuation Date" is applicable:]*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

*(2) Existence of a Market Disruption Event*

"**Market Disruption Event**" means

- (a) the suspension or absence of the announcement of a price of the Currency Exchange Rate relevant for the Products on the Reference Market or by the relevant Price Source;
- (b) the suspension or limitation of banking activities in the Relevant Country the latter of which the Issuer and/or Calculation Agent determine material;
- (c) the suspension or limitation of trading the latter of which the Issuer and/or Calculation Agent determine material;
  - (i) in a currency used in connection with the Currency Exchange Rate on the Reference Market, or
  - (ii) in futures or options contracts relating to a currency used in connection with the Currency Exchange Rate on a futures exchange where such contracts are usually traded, or
  - (iii) due to a directive of an authority or the Reference Market or due to a moratorium on banking activities in the country where the Reference Market is located, or due to any other reasons;
- (d) the Early Closure of the Reference Market;
- (e) a Relevant Country (aa) imposes any controls or announces its intention to impose any controls or (bb) (i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Issuer and/or Calculation Agent determine is likely to affect the ability of the Issuer and/or of any of its affiliates to acquire, hold, transfer or realise a currency used in connection with the Currency Exchange Rate or otherwise to effect transactions in relation to such currency;
- (f) the occurrence of an event which the Issuer and/or Calculation Agent determine would make it impossible for the Issuer and/or any of its affiliates to perform the following activities or impair or delay their performance;
  - (i) converting a currency used in connection with the Currency Exchange Rate into the Settlement Currency or any other currency through customary legal channels or transferring within or from any Relevant Country a currency used in connection with the Currency Exchange Rate due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;
  - (ii) converting a currency used in connection with the Currency Exchange Rate into the other cur-

- rency used in connection with the Currency Exchange Rate or into the Settlement Currency or any other currency at a rate at least as favourable as the rate for domestic financial institutions located in the Relevant Country;
- (iii) transferring a currency used in connection with the Currency Exchange Rate from accounts inside the Relevant Country to accounts outside such Relevant Country, or
  - (iv) transferring a currency used in connection with the Currency Exchange Rate between accounts inside the Relevant Country or to a party that is a non-resident of such Relevant Country;
- (g) the occurrence at any time of an event that disrupts or impairs (as determined by the Issuer and/or the Calculation Agent) the ability of market participants in general;
- (i) to obtain market values for a currency used in connection with the Currency Exchange Rate, or
  - (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to a currency used in connection with the Currency Exchange Rate on a futures exchange where such contracts are usually traded.

**(3) Definitions**

**"Business Day"** means, in respect of the Currency Exchange Rate, any Scheduled Trading Day on which the Reference Market is open for trading during its regular trading sessions, notwithstanding the Reference Market closing prior to its Scheduled Closing Time.

**"Relevant Country"** means, in respect of the Currency Exchange Rate, each of (i) any country (or any political or regulatory authority thereof) in which a currency used in connection with the Currency Exchange Rate is the legal tender or official currency; and (ii) any country (or any political or regulatory authority thereof) with which a currency used in connection with the Currency Exchange Rate in the opinion of the Issuer and/or Calculation Agent has a material connection.

**"Price Source"** means, in respect of the Currency Exchange Rate, the price source as specified in **Table 2** in the Annex providing the relevant price of the Currency Exchange Rate for the Products.

**"Reference Market"** means the reference market as specified in **Table 2** in the Annex.

**"Disrupted Day"** means, in respect of the Currency Exchange Rate, any Scheduled Trading Day on which the Reference Market fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

**"Scheduled Closing Time"** means, in respect of the Currency Exchange Rate, and in respect of the Reference Market and a Scheduled Trading Day, the scheduled weekday closing time of such Reference Market on such Scheduled Trading Day, without regard to any trading outside the regular trading session hours.

**"Scheduled Trading Day"** means, in respect of the Currency Exchange Rate, any day on which the Reference Market is scheduled to be open for trading for its regular trading sessions.

**"Early Closure of the Reference Market"** means, in respect of the Currency Exchange Rate, the

closure on any Business Day of the Reference Market prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Market at least one hour prior to the actual closing time for the regular trading session on the Reference Market on such Business Day.

## § 12 Adjustments

### *(1) Changes in the market conditions on the Reference Market*

If, in the determination of the Issuer and/or Calculation Agent, a material change in the market conditions has occurred on the Reference Market, the Issuer and/or Calculation Agent shall be entitled to effect adjustments to these Conditions to account for these changed market conditions.

### *(2) Changes in the calculation of the Currency Exchange Rate*

Any changes in the calculation (including corrections) of the Currency Exchange Rate or in the composition or weighting of the price or other reference parameters based on which the Currency Exchange Rate is calculated shall not lead to an adjustment unless the Issuer and/or Calculation Agent determine that as a result of the changes (including corrections) the underlying concept and calculation of the Currency Exchange Rate are no longer comparable to the underlying concept or calculation of the Currency Exchange Rate applicable prior to such change. Adjustments may also be made as a result of the removal of the Currency Exchange Rate and/or its substitution by another underlying.

For the purpose of making any adjustments, the Issuer and/or Calculation Agent shall determine an adjusted value per unit of the Currency Exchange Rate which shall be used for the determination of the relevant price of the Currency Exchange Rate for the Products and which in its economic result shall correspond to the provisions prior to this change, and shall determine the day on which the adjusted value per unit of the Currency Exchange Rate shall apply for the first time taking into account the time the change occurred. The adjusted value per unit of the Currency Exchange Rate and the date of its first application shall be published pursuant to § 4 of the General Conditions.

### *(3) Change in the currency used in connection with the Currency Exchange Rate*

In the event that a currency used in connection with the Currency Exchange Rate in its function as legal tender in the country or jurisdiction, or countries or jurisdictions, maintaining the authority, institution or other body which issues such currency is replaced by another currency or merged with another currency to become a common currency, the affected currency shall be replaced for the purposes of these Conditions by such replacing or merged currency, if applicable after appropriate adjustments according to the paragraph above have been made, (the "**Successor Currency**"). The Successor Currency and the date of its first application shall be published in accordance with § 4 of the General Conditions.

In this case any reference in these Conditions to the affected currency shall, to the extent appropriate, be deemed to refer to the Successor Currency.

***(4) Replacement of the Reference Market***

If the quotation of or trading in a currency used in connection with the Currency Exchange Rate on the Reference Market is permanently discontinued while concurrently a quotation or trading is started up or maintained on another market, the Issuer shall be entitled to stipulate such other market as relevant Reference Market (the "**Substitute Reference Market**") via publication in accordance with § 4 of the General Conditions, provided that the Issuer has not terminated the Products in accordance with § 13 of the Issue Specific Conditions.

In the case of such a substitution, any reference in these Conditions to the Reference Market thereafter shall be deemed to refer to the Substitute Reference Market.

The adjustment described above shall be published in accordance with § 4 of the General Conditions within the three (3) months-period following the permanent discontinuation of the quotation of or trading in the currency used in connection with the Currency Exchange Rate on the Reference Market, at the latest.

*[insert in the case of a Basket as Underlying:*

***(5) Additional adjustments in the case of a Basket as Underlying***

If in relation to a Basket Component an adjustment (as described in the Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to the Conditions in relation to each Basket Component) be entitled, but not obliged to either

- (i) remove from the Basket the affected Basket Component without replacement (if applicable by implementing correction factors with respect to the remaining Basket Components) or
- (ii) replace the Basket Component in whole or in part by a new Basket Component (if applicable by implementing correction factors with respect to the Basket Components contained in the Basket) (the "**Successor Basket Component**").

In this case the Successor Basket Component will be deemed to be the Basket Component and any reference in these Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.]

**§ 13**

**Extraordinary Termination**

***(1) Existence of an Additional Termination Event***

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 of the Issue Specific Conditions is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"**Additional Termination Event**" means [an Increased Cost of Hedging][,] [and] [a Change in Law][,] [and] [a Hedging Disruption][,] [and] [an Increased Cost of Collateralization].

*(2) Redemption in the event of an Extraordinary Termination*

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8 of the Issue Specific Conditions.

*(3) Definitions*

["**Increased Cost of Hedging**"] means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Increased Cost of Collateralization**"] means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision "**Borrowing Entity**" means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["**Change in Law**"] means that on or after the Issue Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer and/or Calculation Agent determine in good faith that (X) [it has become illegal to hold, acquire or dispose of the Underlying(s) and/or one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).]

["**Hedging Entity**"] means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**"] means that the Hedging Entity is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Issuer deems necessary to hedge the risk of entering into and performing its ob-

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ligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]]



*[insert in the case of Products linked to a futures contract as Underlying or as a Basket Component:*

**§ 11**  
**Market Disruption**

***(1) Consequences of Disrupted Days***

*[insert if "Single Underlying and Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Individual Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I)** that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II)** the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Common Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

*(2) Existence of a Market Disruption Event*

"**Market Disruption Event**" means

- (a) (i) the failure of a Price Source to announce or publish a price relevant for the Products; or (ii) the temporary or permanent discontinuance or unavailability of such Price Source; or (iii) the disappearance or permanent discontinuance or unavailability of a price relevant for the Products (notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract);
- (b) the material suspension or limitation of trading (i) in the Futures Contract on the relevant Exchange or (ii) on the Exchange in general;
- (c) the failure of trading to commence, or the permanent discontinuation of trading, (i) in the Futures Contract on the Exchange or (ii) on the Exchange in general;
- (d) the occurrence since the Initial Fixing Date of a material change (i) in the formula for or method of calculating the price relevant for the Products; or (ii) in the content, composition or constitution of the Futures Contract or of the underlying on which the Futures Contract is based, or
- (e) the imposition of, change in, or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, the Futures Contract or the underlying on which the Futures Contract is based (other than a tax on, or measured by reference to, overall gross or net income) by any government or tax authority, if the direct effect of such imposition, change or removal is to raise or lower a relevant price on a Underlying Valuation Date from what it would have been without such imposition, change or removal.

*(3) Definitions*

"**Exchange**" means, in respect of the Futures Contract, the exchange or the quotation system as specified in **Table 2** in the Annex, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Futures Contract has temporarily relocated (provided that the Issuer and/or Calculation Agent have determined in its reasonable discretion that there is comparable liquidity relative to the Futures Contract on such temporary substitute exchange or quotation system as on the original Exchange).

"**Exchange Business Day**" means, in respect of the Futures Contract, any Scheduled Trading Day on which the Exchange is open for trading during its regular trading sessions, notwithstanding any such Exchange closing prior to its Scheduled Closing Time.

"**Price Source**" means, in respect of the Futures Contract, the price source as specified in **Table 2** in

the Annex providing the relevant price of the Futures Contract for the Products.

**"Disrupted Day"** means, in respect of the Futures Contract, any Scheduled Trading Day on which a relevant Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event - except for a Permanent Market Disruption Event (to the extent applicable) - has occurred.

**"Scheduled Closing Time"** means, in respect of the Futures Contract and in respect of an Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

**"Scheduled Trading Day"** means, in respect of the Futures Contract, any day on which the Exchange is scheduled to calculate and publish the Price of the Futures Contract or, as the case may be, the Price Source is scheduled to publish the Price of the Futures Contract.

## § 12 Adjustments

### *(1) Substitution of Reference Market and/or Price Source*

If the quotation of or trading in the Futures Contract on the Reference Market or the publication of the relevant price of the Futures Contract by the Price Source is permanently discontinued while concurrently the quotation or trading is maintained or is commenced on another reference market or if the relevant price of the Futures Contract is published by another price source, the Issuer shall be entitled to stipulate such other reference market as the new Reference Market and/or such other price source as the Price Source (the "**Substitute Reference Market**" or the "**Substitute Price Source**") through publication in accordance with § 4 of the General Conditions, provided that the Issuer has not terminated the Products in accordance with § 13 of the Issue Specific Conditions. In the case of such a substitution, any reference in the Conditions to the Reference Market and/or Price Source thereafter shall be deemed to refer to the Substitute Reference Market and/or Substitute Price Source.

### *(2) Changes in the Futures Contract*

If at any time the Futures Contract is terminated and/or replaced by another value or if the relevant contract characteristics and/or conditions of the Futures Contract or the value underlying the Futures Contract are changed, the Issuer and/or the Calculation Agent are entitled, provided that the Issuer has not terminated the Products in accordance with § 13 of the Issue Specific Conditions, to make an adjustment to the Conditions, which in the assessment of the Issuer and/or the Calculation Agent is appropriate to reflect the amendments and/or to replace the Futures Contract with a successor futures contract (the "**Successor Futures Contract**") which is economically equivalent to the original relevant concept of the Futures Contract. As the case may be, the Issuer and/or the Calculation Agent will multiply the relevant price of the Futures Contract by an adjustment factor in order to ensure the continuity of the development of the reference value(s) underlying the Products.

The Successor Futures Contract and the date of its initial application shall be published in accordance

with § 4 of the General Conditions. Any reference in the Conditions to the Futures Contract shall, to the extent appropriate, be deemed to refer to the Successor Futures Contract.

### § 13

#### **Extraordinary Termination**

##### ***(1) Existence of an Additional Termination Event***

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 of the Issue Specific Conditions is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"**Additional Termination Event**" means [a Permanent Market Disruption Event][,] [and] [an Increased Cost of Hedging][,] [and] [a Change in Law][,] [and] [a Hedging Disruption][,] [and] [an Increased Cost of Collateralization].

##### ***(2) Redemption in the event of an Extraordinary Termination***

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8 of the Issue Specific Conditions.

##### ***(3) Definitions***

["**Permanent Market Disruption Event**" means, in respect of the Futures Contract, any one or more of the events set out in (a), (b), (c), (d) and (e) in the definition as set out in § 11 (2) of the Issue Specific Conditions of "Market Disruption Event", if such event is in the determination of the Issuer and/or Calculation Agent permanent.]

["**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Increased Cost of Collateralization**" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision "**Borrowing Entity**" means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Is-

suer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["**Change in Law**" means that on or after the Issue Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer and/or Calculation Agent determine in good faith that (X) it has become illegal to hold, acquire or dispose of the Underlying(s) and/or one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).]

["**Hedging Entity**" means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]]

*[insert in the case of Products linked to a fixed rate or derivative instrument as Underlying or as a Basket Component:*

## § 11

### Market Disruption

#### *(I) Consequences of Disrupted Days*

*[insert if "Single Underlying and Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Individual Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Common Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

*(2) Existence of a Market Disruption Event*

"**Market Disruption Event**" means

- (a) the suspension or absence of the announcement of a price of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument relevant for the Products on the Reference Market;
- (b) the suspension or limitation of trading the latter of which the Issuer and/or Calculation Agent determine material;
  - (i) in the Fixed Rate Instrument or, as the case may be, the Derivative Instrument on the Reference Market, or
  - (ii) due to a directive of an authority or the Reference Market or due to a moratorium on banking activities in the country where the Reference Market is located, or due to any other reasons, or
  - (iii) in futures or options contracts relating to the Fixed Rate Instrument or, as the case may be, the Derivative Instrument on a futures exchange where such contracts are usually traded;
- (c) the Early Closure of the Reference Market;
- (d) the occurrence at any time of an event that disrupts or impairs (as determined by the Issuer and/or the Calculation Agent) the ability of market participants in general;
  - (i) to obtain market values for the Fixed Rate Instrument or, as the case may be, the Derivative Instrument, or
  - (ii) to sell or transfer the Fixed Rate Instrument or, as the case may be, the Derivative Instrument or to exercise the rights conveyed by the Fixed Rate Instrument or, as the case may be, the Derivative Instrument, or
  - (iii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Fixed Rate Instrument or, as the case may be, the Derivative Instrument on a futures exchange where such contracts are usually traded;
- (e) any event other than such listed above which in its consequences is commercially comparable to those events;
- (f) the suspension or limitation of banking activities in the in the country where the Reference Market is located of which the Issuer and/or Calculation Agent determine material.

**(3) Definitions**

"**Business Day**" means, in respect of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument, any Scheduled Trading Day on which the Reference Market is open for trading during its regular trading sessions, notwithstanding any such Reference Market closing prior to its Scheduled Closing Time.

"**Reference Market**" means the reference market as specified in **Table 2** in the Annex.

"**Disrupted Day**" means, in respect of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument, any Scheduled Trading Day on which a relevant Reference Market fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"**Scheduled Closing Time**" means, in respect of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument and in respect of a Reference Market and a Scheduled Trading Day, the scheduled weekday closing time of such Reference Market on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

"**Scheduled Trading Day**" means, in respect of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument, any day on which the Reference Market is scheduled to open for trading during its regular trading sessions.

"**Early Closure of the Reference Market**" means, in respect of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument, the closure on any Business Day of the Reference Market prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Market at least one hour prior to the actual closing time for the regular trading session on the Reference Market on such Business Day.

**§ 12****Adjustments****(1) Changes in the market conditions on the Reference Market**

If, in the determination of the Issuer and/or Calculation Agent, a material change in the market conditions has occurred on the Reference Market, the Issuer and/or Calculation Agent shall be entitled to effect adjustments to these Conditions to account for these changed market conditions.

**(2) Changes in the calculation of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument**

Any changes in the calculation (including corrections) of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument shall not lead to an adjustment unless the Issuer and/or Calculation Agent determine that as a result of the changes (including corrections) the underlying concept and calculation of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument are no longer comparable to the underlying concept or calculation of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument applicable prior to such change. Adjustments may also be made as a result of the removal of the Fixed Rate Instrument or, as the case may be, the Derivative In-



strument and/or its substitution by another underlying or the Delisting of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument. For the purpose of this provision "**Delisting**" means that the relevant Reference Market announces that pursuant to the rules of such Reference Market, the Fixed Rate Instrument or, as the case may be, the Derivative Instrument ceases (or will cease) to be listed, traded or publicly quoted on the Reference Market for any reason and is not immediately re-listed, re-traded or re-quoted on a market or quotation system located in the same country as the Reference Market (or, where the Reference Market is within the European Union, in any Member State of the European Union).

For the purpose of making any adjustments, the Issuer and/or Calculation Agent shall determine an adjusted value of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument which shall be used for the determination of the relevant price of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument for the Products and which in its economic result shall correspond to the provisions prior to this change, and shall determine the day on which the adjusted value of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument shall apply for the first time taking into account the time the change occurred. The adjusted value of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument and the date of its first application shall be published pursuant to § 4 of the General Conditions.

***(3) Termination, early redemption, replacement or adjustment to the terms and conditions of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument***

In the event that the Fixed Rate Instrument or, as the case may be, the Derivative Instrument is terminated and/or redeemed early or replaced by another Fixed Rate Instrument or, as the case may be, the Derivative Instrument, provided that such circumstance does not occur in connection with any insolvency or general settlement proceedings or other similar proceedings of the issuer of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument, or in the event of changes to the terms and conditions of the Fixed Rate Instrument or, as the case may be, the Derivative Instrument, the Fixed Rate Instrument or, as the case may be, the Derivative Instrument may be replaced for the purposes of these Conditions by another financial instrument, if necessary after making the appropriate adjustments to the above paragraph (the "**Successor Instrument**"). The Successor Instrument and the date of its first application shall be published in accordance with § 4 of the General Conditions.

In this case any reference in these Conditions to the Fixed Rate Instrument or, as the case may be, the Derivative Instrument shall, to the extent permitted by the context, be deemed to refer to the Successor Instrument.

***(4) Replacement of the Reference Market***

If the quotation of or trading in the Fixed Rate Instrument or, as the case may be, the Derivative Instrument on the Reference Market is permanently discontinued while concurrently a quotation or trading is started up or maintained on another market, the Issuer and/or Calculation Agent shall be entitled to stipulate such other market as relevant Reference Market (the "**Substitute Reference Market**") via publication in accordance with § 4 of the General Conditions, provided that the Issuer has not terminated the Products in accordance with § 13 of the Issue Specific Conditions.

In the case of such a substitution, any reference in these Conditions to the Reference Market thereafter shall be deemed to refer to the Substitute Reference Market.

The adjustment described above shall be published in accordance with § 4 of the General Conditions within the three (3) months-period following the permanent discontinuation of the quotation of or trading in the Fixed Rate Instrument or, as the case may be, the Derivative Instrument on the Reference Market, at the latest.

*(5) Correction of a relevant price*

In the event that a price for the Fixed Rate Instrument or, as the case may be, the Derivative Instrument determined and published by the Reference Market which is relevant for the Products is subsequently corrected and the correction (the "**Corrected Price**") is published by the Reference Market after the original publication, but by the Final Fixing Date (exclusive), the Issuer and/or Calculation Agent shall be entitled to effect adjustments to these Conditions taking into account the Corrected Price, to account for the correction. The adjustment and the date of its first application shall be published in accordance with § 4 of the General Conditions.

*[insert in the case of a Basket as Underlying:*

*(6) Additional adjustments in the case of a Basket as Underlying*

If in relation to a Basket Component an adjustment (as described in the Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to the Conditions in relation to each Basket Component) be entitled, but not obliged to either

- (i) remove from the Basket the affected Basket Component without replacement (if applicable by implementing correction factors with respect to the remaining Basket Components) or
- (ii) replace the Basket Component in whole or in part by a new Basket Component (if applicable by implementing correction factors with respect to the Basket Components contained in the Basket) (the "**Successor Basket Component**").

In this case the Successor Basket Component will be deemed to be the Basket Component and any reference in these Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.]

**§ 13**

**Extraordinary Termination**

*(1) Existence of an Additional Termination Event*

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 of the Issue Specific Conditions is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in ac-

cordance with § 4 of the General Conditions.

"**Additional Termination Event**" means [an Increased Cost of Hedging][,] [and] [a Change in Law][,] [and] [a Hedging Disruption][,] [and] [an Increased Cost of Collateralization].

*(2) Redemption in the event of an Extraordinary Termination*

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8 of the Issue Specific Conditions.

*(3) Definitions*

["**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Increased Cost of Collateralization**" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision "**Borrowing Entity**" means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["**Change in Law**" means that on or after the Issue Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer and/or Calculation Agent determine in good faith that (X) it has become illegal to hold, acquire or dispose of the Underlying(s) and/or one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).]

["**Hedging Entity**" means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transac-

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tion(s) or asset(s) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]]

*[insert in the case of Products linked to a share in an exchange traded Fund as Underlying or as a Basket Component:*

## § 11

### Market Disruption

#### *(I) Consequences of Disrupted Days*

*[insert if "Single Underlying and Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Individual Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Common Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

*(2) Existence of a Market Disruption Event*

"**Market Disruption Event**" means

the occurrence or existence of (1) a Trading Disruption, (2) an Exchange Disruption, which in either case the Issuer and/or Calculation Agent regards as material, at any time during the one-hour period immediately before the relevant Valuation Time, or (3) an Early Exchange Closure. If a Market Disruption Event occurs only two hours prior to the time of the actual closing time for the regular trading session on the relevant Exchange(s) or Related Exchange(s) on the relevant Exchange Trading Day, the Issuer may determine whether a Market Disruption for this basket component is considered material. If the Issuer determines that a Market Disruption for this basket component is not considered material, then the Calculation Agent shall use the previous day's rate for this date.

*(3) Definitions*

"**Valuation Time**" means, in respect of the Fund Unit, the time at which the Exchange calculates and publishes the official closing price of the Fund Unit. If the Exchange closes prior to its Scheduled Closing Time and the Valuation Time falls after the actual closing time for the regular trading session, the Valuation Time means the time of the actual close of trading.

"**Exchange Trading Day**" means, in respect of the basket component, a Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Disruption**" means, in respect of the Fund Unit, an Event (other than an Early Exchange Closure) that disrupts or impairs (as determined by the Issuer and/or Calculation Agent) the ability of market participants in general (1) to effect transactions in the Fund Units or obtain market values on the Exchange for the Fund Units or (2) to effect transactions in, or obtain market values for, futures or options contracts on such Fund Unit on a relevant Related Exchange.

"**Trading Disruption**" means, in respect of the Fund Unit, a suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (1) relating to Fund Units on the Exchange or (2) in futures or options contracts on the Fund Units on a relevant Related Exchange or (3) in Fund Units, Fund Certificates, Units or other securities of an Exchange Traded Fund in respect of the Funds Reference Index on the Exchange or a Related Exchange, if in any of these cases the Calculation Agent determines in its absolute sole discretion that such suspension or limitation is material.

**"Disrupted Day"** means, in respect of the Fund Unit, a Scheduled Trading Day on which a relevant Exchange or Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

**"Related Exchange(s)"** means, in respect of the Fund Unit, those options or futures exchanges on which options or futures contracts are regularly traded on the units of the Fund, as determined by the Calculation Agent, and (in each case) any successor to such exchange or quotation system or any substitute exchange or quotation system where trading is temporarily carried out in futures or options contracts on the Fund Units (to the extent as determined by the Calculation Agent on the temporary substitute exchange or quotation system the liquidity for the futures and options contracts on Fund Units is comparable with the liquidity of the original Related Exchange.)

**"Scheduled Closing Time"** means, in respect of the Fund Unit, and in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on the Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

**"Scheduled Trading Day"** means, in respect of the Fund Unit, a day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions.

**"Early Closure"** means, in respect of the Fund Unit, the closure on any Exchange Trading Day of one or more Relevant Exchanges or one or more Related Exchange(s) prior to the Scheduled Closing Time, unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (1) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Trading Day and (2) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Trading Day.

## § 12

### Adjustments

#### *(1) Conditions precedent for an adjustment*

In the case of a Potential Adjustment Event or an Extraordinary Event, the Issuer or the Calculation Agent shall be entitled to adjust the Conditions considering the following rules. The Issuer or the Calculation Agent is not, however, obliged to effect adjustments.

#### *(2) Existence and consequences of a Potential Adjustment Event*

**(a) A "Potential Adjustment Event" occurs in the case of any of the following events, as determined by the Issuer and/or Calculation Agent:**

- (i)** a subdivision, consolidation or reclassification of Fund Units (unless resulting in a Merger Event) or a free distribution or dividend of the Fund Units to existing holders by way of bonus, capitalisation or similar issue;
- (ii)** a distribution, issue or dividend to existing holders of Fund Units of (1) such Fund Units or (2)

other participation rights or securities granting the right to payment of dividends and/or a share in the proceeds of liquidation of the Fund equally or proportionately with such payments to holders of such Fund Units or (3) participation rights or securities of another unit issuer acquired or owned (directly or indirectly) by the Fund as a result of a spin-off or other similar transaction, or (4) any other type of securities, rights or options or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;

- (iii) a distribution per Fund Unit which the Calculation Agent determines to be characterised as an extraordinary dividend;
- (iv) a call by the Fund in respect of Fund Units that are not fully paid;
- (v) a repurchase by the Fund or any of its affiliates of Fund Units whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) an event occurs that results in any shareholder rights being distributed or becoming separated from shares of common stock other units of the Fund pursuant to a shareholder rights plan or similar arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any exercise of such rights; or
- (vii) any other circumstances that may have, in the opinion of the Issuer and/or Calculation Agent, a diluting or concentrative effect on the theoretical value of the Fund Units.

**(b) Consequences of a Potential Adjustment Event**

In the case of the declaration of any Potential Adjustment Event by or on behalf of the Fund or in the case of an adjustment to the calculation terms of exchange contracts in respect of Fund Units that are traded on a Related Exchange, the Issuer and/or Calculation Agent will determine in their absolute sole discretion whether the Potential Adjustment Event or such other event has a diluting or concentrative effect on the theoretical value of the Fund Unit and, if so, will:

- (i) make the corresponding adjustment(s), if appropriate, to the Conditions as the Issuer and/or Calculation Agent determine appropriate to account for that diluting or concentrative effect; and
- (ii) determine the effective date(s) of the adjustment(s). In such case, such adjustments shall be deemed to be so made from such date(s). The Issuer and/or Calculation Agent may (but need not) perform the appropriate adjustment(s) by reference to the adjustment(s) in respect of the Potential Adjustment Event or such other event made by a Related Exchange in respect of exchange contracts on the Fund Units that are traded on such Related Exchange.

Following such an adjustment the Issuer or the Calculation Agent shall inform the holders as soon as possible and include in the notice details of what adjustments have been made to an amount to be paid on the products and/or to other relevant terms and briefly describe the Potential Adjustment Event or



such other event. However, failure to provide such notice shall not render invalid the Potential Adjustment Event or another such event or an action undertaken.

**(3) Existence and consequences of an Extraordinary Event**

**(a) Existence of an Extraordinary Event**

An "**Extraordinary Event**" occurs in the case of an insolvency in respect of the Fund, its Management Company or a depository or another of the Fund's service providers, a Merger Event, a delisting or a Termination of the Trust in respect of the Fund (in each case an "**Extraordinary Event**").

**(b) Consequences of an Extraordinary Event**

(i) If the Issuer or the Calculation Agent determines that an insolvency in respect of the Fund, its Management Company or depository or another servicer of the Fund, a Merger Event, a delisting or a Termination of the Trust has occurred (in each of these cases the "**Related Basket Component**"), then the Issuer or the Calculation Agent shall in its discretion either:

(x) (I) undertake those adjustments to variables that it considers to be appropriate, as the case may be, regarding the calculation methods, the settlement or payment or other terms in respect of the Products to account for the effects of insolvency, the Merger Event, delisting or Termination of the Trust in respect of the Products and (II) determine the effective date of these adjustments; or

(y) if the Issuer or the Calculation Agent determines that no adjustment that it could make pursuant to (x) leads to a commercially reasonable result, then the Calculation Agent selects

(1) another Fund that is in the same currency and has the same investment objective as the Relevant Fund (this Fund that replaces the Relevant Fund is termed the "**Substitute Fund**") and

(2) the applicable day (the "**Fund Replacement Date**") for the replacement of the Relevant Fund with the Substitute Fund (for the avoidance of doubt, the Issuer or the Calculation Agent may set the Fund Replacement Date as any date, also before the event that led to the replacement, or before the Issue Date) or

(z) if the Issuer and/or the Calculation Agent is not able for any reason to determine a Substitute Fund or the Fund Replacement Date for a Relevant Fund or a Substitute Fund or the Fund Replacement Date for a Relevant Fund, then the Issuer and/or the Calculation Agent has the right, in the case of a basket as underlying, to remove the Relevant Fund from the basket.

(ii) On an election pursuant to paragraph (i)(y)

(x) the Substitute Fund replaces the Relevant Fund on the Fund Replacement Date,

(y) references herein to the Fund are considered to take effect from the Fund Replacement Date as references to the Substitute Fund and

(z) the Issuer and/or the Calculation Agent in its absolute sole discretion undertakes the appropriate adjustments to variables that it considers to be appropriate, as the case may be, regarding the calculation methods, the valuation, settlement or payment terms in respect of the products to account for the substitution.

**(4) Notification of Adjustment**

Upon making any adjustment pursuant to these Conditions, the Issuer and/or Calculation Agent shall give notice to the Holders in accordance with § 4 of the General Conditions.

**(5) Definitions**

**"Termination of the Trust"** means in respect of the Fund, that the Trust which constitutes the Fund or the company or another vehicle under which the Fund Units are issued by the Fund (in respect of the Fund in each case the **"Trust"**) pursuant to the documents constituting the trust (in respect of the Fund the **"Constitutional Document"**) has been terminated or amended in another way. For the avoidance of doubt and notwithstanding the generality of the foregoing sentence, the following events represent a termination of the trust:

- (a) the rescission of the Constitutional Document by the Management Company or the Trustee (as defined below) or the termination of the calculation and publication of the Fund Reference Index by the Fund Reference Index Sponsor,
- (b) a decision of a competent authority on the rescission or cancellation of the Constitutional Document or the Trust; and/or
- (c) a decision of a competent authority on the (I) rescission or suspension of the applicable licence of the Management Company that is necessary for the administration of the Fund, or (II) unwinding of the Management Company. Throughout the life of the Fund the replacement of the Management Company or the substitution of the Trustee for the beneficial owners of the Fund (the **"Trustees"**) by a Substitute Trustee shall not lead to the Termination of the Trust and any such replacement investment Management Company and any such Substitute Trustee shall be regarded as the Management Company or Trustee as from the date on which the substitution takes effect.

**"Delisting"** means, in respect of the Fund Unit, that the Fund Units cease or have ceased to be admitted to trade on the Exchange and that the Fund Units have not been admitted to trade on another Exchange that the Issuer or the Calculation Agent considers to be a suitable substitute Exchange.

**"Merger Event"** means, in respect of a Fund Unit, any (1) reclassification or other change to the Fund that results in a transfer of or an irrevocable commitment to transfer all such Fund Units outstanding to another entity or person, (2) a consolidation, amalgamation or binding unit exchange of the Fund with or into another entity or person (other than a consolidation, amalgamation or binding unit exchange in which such Fund is the continuing entity and which does not result in a reclassification or change of all such Fund Units outstanding), (3) takeover offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Fund Units that results in a transfer of or an irrevocable commitment to transfer all such Fund Units (other than such Fund Units owned or controlled by such other entity or person), or (4) consoli-

dation, amalgamation or binding unit exchange of the Fund or its affiliates with or into another entity in which the Fund is the continuing entity and which does not result in a reclassification or change of all such Fund Units outstanding but results in the outstanding Fund Units (other than Fund Units owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding Fund Units immediately following such event in each case if the Merger Date is on or before the Final Fixing Date.

"**Merger Date**" means in respect of a Merger Event the earlier of the following dates:

- (a) a date selected by the Issuer or the Calculation Agent in its absolute sole discretion, which is the day (or follows the day) on which the Merger Date occurs pursuant to the determination of the Issuer or the Calculation Agent, or
- (b) the date on which, on determination by the Issuer or the Calculation Agent, all holders of the relevant Fund Units have agreed or committed to transfer their Fund Units.

"**Insolvency**" means, in respect of a relevant person, that such person (1) is wound up (other than pursuant to a consolidation, amalgamation or takeover); (2) becomes insolvent or is unable or fails to pay its debts or admits in writing its inability generally to pay its debts as they become due; (3) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (4)(I) institutes or has instituted against it a petition by a regulator, regulatory body or other body with primary responsibility for insolvency, restructuring or supervision in the country in which its head office is registered or established, whereby a judgment is sought for insolvency or bankruptcy or any other relief affecting creditors' rights or a petition is presented for its winding-up or liquidation by itself or such regulator, regulatory body or such similar body or (II) has brought a petition against itself seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or applicable relief affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and the petition or other application is instituted or made by a person or agent that is not named under (I) and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not dismissed, discharged, stayed or restrained in each case within fifteen calendar days of the institution or presentation thereof; (5) has passed a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (6) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, Trustee, custodian or other similar official for it or for all or substantially all its assets; (7) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within fifteen calendar days thereafter; or (8) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (1) to (7) (inclusive) or (9) takes actions that promote any of the foregoing processes or agrees to, consents to or permits the same.

"**Merger Date**" means the closing date of a Merger Event (as determined by the Issuer and/or Calculation Agent) or, where a closing date cannot be determined under the local law applicable to such

Merger Event, such other date as determined by the Issuer and/or Calculation Agent.

"**Management Company**" means the management company specified for the Fund in **Table 2** in the Annex.

*[insert in the case of a Basket as Underlying:*

***(6) Additional adjustments in the case of a Basket as Underlying***

If in relation to a Basket Component an adjustment (as described in the Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to the Conditions in relation to each Basket Component) be entitled, but not obliged to either

- (i) remove from the Basket the affected Basket Component without replacement (if applicable by implementing correction factors with respect to the remaining Basket Components) or
- (ii) replace the Basket Component in whole or in part by a new Basket Component (if applicable by implementing correction factors with respect to the Basket Components contained in the Basket) (the "**Successor Basket Component**").

In this case the Successor Basket Component will be deemed to be the Basket Component and any reference in these Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.]

**§ 13**

**Extraordinary Termination**

***(1) Existence of an Additional Termination Event***

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 of the Issue Specific Conditions is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"**Additional Termination Event**" means [an Increased Cost of Hedging][,] [and] [a Change in Law][,] [and] [a Hedging Disruption][,] [and] [an Increased Cost of Collateralization].

***(2) Redemption in the event of an Extraordinary Termination***

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8 of the Issue Specific Conditions.

### *(3) Definitions*

["**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Increased Cost of Collateralization**" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision "**Borrowing Entity**" means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["**Change in Law**" means that on or after the Issue Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer and/or Calculation Agent determine in good faith that (X) [it has become illegal to hold, acquire or dispose of the Underlying(s) and/or one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).]

["**Hedging Entity**" means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

*[insert in the case of Products linked to an unlisted Fund Unit as Underlying or as a Basket Component:*

## § 11

### Market Disruption

#### *(I) Consequences of Disrupted Days*

*[insert if "Single Underlying and Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day, then the Underlying Valuation Date shall be the next following Scheduled Trading Day that is not a Disrupted Day, unless each of the eight (8) Scheduled Trading Days immediately following the Underlying Valuation Date is a Disrupted Day. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of the Underlying on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the Underlying in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Individual Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of the relevant Basket Component shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of the relevant Basket Component, unless each of the eight (8) Scheduled Trading Days in respect of the relevant Basket Component immediately following the Underlying Valuation Date is a Disrupted Day in respect of the relevant Basket Component. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for the relevant Basket Component, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of the relevant Basket Component on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of the relevant Basket Component in accordance with § 4 of the General Conditions.]

*[insert if "Basket and Common Postponement of the Underlying Valuation Date" is applicable:*

If an Underlying Valuation Date is a Disrupted Day in respect of a Basket Component, then the Underlying Valuation Date in respect of all Basket Components shall be the next following Scheduled Trading Day that is not a Disrupted Day in respect of all Basket Components, unless each of the eight (8) Scheduled Trading Days in respect of all Basket Components immediately following the Underlying Valuation Date is a Disrupted Day in respect of all Basket Components. In that case:

- (I) that eighth Scheduled Trading Day shall be deemed to be the relevant Underlying Valuation Date for all Basket Components, notwithstanding the fact that such day is a Disrupted Day; and
- (II) the Issuer and/or Calculation Agent shall determine the relevant level of all Basket Components on that eighth Scheduled Trading Day in its reasonable discretion, taking into account the market circumstances prevailing on such day. The Issuer shall publish the determined level of all Basket Components in accordance with § 4 of the General Conditions.]

*(2) Existence of a Market Disruption Event*

"**Market Disruption Event**" means

- (a) a suspension or a failure of the announcement of the price of the Fund Unit or NAV or
- (b) The occurrence of any other event that, in the opinion of the Issuer and/or Calculation Agent at its reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the Fund Unit.

*(3) Definitions*

"**Fund**" means the fund specified in Table 2 of the Annex.

"**NAV**" means, in respect of the Fund Unit, the net asset value calculated in accordance with the terms of the prospectus or other documents prepared in connection with the marketing of the Fund.

"**Disrupted Day**" means, in respect of the Fund Unit, a Scheduled Trading Day on which a Market Disruption Event has occurred.

"**Scheduled Trading Day**" means, in respect of the Fund Unit, any day on which the NAV is scheduled to be calculated and announced in accordance with the terms of the prospectus or other documents prepared in connection with the marketing of the Fund.

**§ 12**  
**Adjustments**

*(1) Conditions precedent for an adjustment*

In the case of a Potential Adjustment Event, the Issuer or the Calculation Agent shall be entitled to adjust the Conditions considering the following rules. The Issuer or the Calculation Agent is not, however, obliged to effect adjustments.

*(2) Existence and consequences of a Potential Adjustment Event*

"**Potential Adjustment Event**" means any of the following:

- (a) A violation or change of any material terms of the offer documents or other documents prepared in connection with the marketing of the Fund or each of its constitutional documents, which, in the opinion of the Issuer and/or Calculation Agent at its reasonable discretion, is material.
- (b) The main investment objective of the Fund changes.

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- (c) The currency denomination in which the NAV of the Fund or of the Fund Unit is published (the "**Currency Denomination**") is changed and now differs from the Currency Denomination at the Initial Fixing Date.
- (d) The NAV, as calculated by or on behalf of the Fund, not being calculated or announced for any Scheduled Trading Day within the time period when the Issuer and/or the Calculation Agent would ordinarily expect such NAV to be available.
- (e) Any restriction or limitation or suspension or deferral of trading of, or redemptions of or subscription for Fund Units in the Fund affecting the Hedging Entity's ability to conduct its activities it deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products (including, but not limited to, the introduction or increase of any associated fee, cost or expense, the introduction or use of gates or side pockets, or any restructure, reorganisation or action that has a similar impact to a gate or side pocket), or any mandatory redemption of Fund Units of the Fund.
- (f) The regulatory or tax treatment applicable with respect to the Issuer, the Fund, its manager, investment manager or to any of its investment advisors (each a "**Manager**") is changed.
- (g) Any review or investigation of the activities of the Fund or its Managers, by a relevant regulator, in connection with suspected or alleged wrongdoing or breach of any rule or regulation, or other similar reason, or any disciplinary action taken by such regulator in consequence thereof.
- (h) Any winding-up, liquidation of, or any termination or any loss of regulatory approval, license or registration of, a Manager, or any merger, de-merger, winding-up or liquidation of or affecting the Fund.
- (i) Any arrangement between the Issuer and/or the Calculation Agent and the Fund and/or a Manager, including arrangements relating to subscriptions in and redemptions of Fund Units, being changed or terminated.
- (j) The occurrence of any event that, in the opinion of the Issuer and/or the Calculation Agent at their reasonable discretion, prevents, hinders or materially impairs the Hedging Entity's ability to conduct its activities it deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products.
- (k) The notice period for subscriptions/ redemption in the Fund Unit is modified in a significant manner and/or the subscriptions and/or redemptions in Fund Units are suspended, postponed or reduced (either in whole or in part), and/or the payments of redemption proceeds to be paid in respect of a redemption order are suspended, postponed, reduced (either in whole or in part) or paid by installments, and/or the dividend and/or redemption payments are made (either in whole or in part) in kind rather than in cash (side-pockets) and/or the non-execution or partial execution by the Fund for any reason of a subscription or redemption order on the Fund Units.
- (l) Any other circumstances that may have, in the opinion of the Issuer and/or Calculation Agent, a diluting or concentrative effect on the theoretical value of the Fund Units or on the NAV.



**(3) Consequences of a Potential Adjustment Event**

If a Potential Adjustment Event (paragraph (2)) occurs or is likely to occur, the Issuer and/or the Calculation Agent may, if they determine at their reasonable discretion, that such event is material and adversely affects the Fund Unit or the calculation of the NAV of the Fund Unit,

- (a) make any adjustments to any calculation methods, values or terms in respect of the Products that they determine at their reasonable discretion to be necessary to account for such Potential Adjustment Event, and/or
- (b) select, by using reasonable efforts for a period of no longer than five (5) Business Days, one or more suitable alternative funds with reasonably similar investment mandates – subject to the following suitability criteria – (each a "**Replacement Fund**") and replace the Fund by such fund(s).

The replacement of the Fund by one or more alternative funds is only possible provided that all of the following suitability criteria are met:

- (i) The relevant fund management company/ies and fund manager(s) are willing to allow the fund to be referenced in the Products.
- (ii) the Issuer can trade at net asset value or at bid price in the fund with no direct or indirect fee, levy or other charge whatsoever, including subscription or redemption penalties applicable, or potentially applicable, to any such trading or any interest so acquired.
- (iii) The fund (or a relevant manager) publishes the fund's net asset value or bid price on a daily basis.
- (iv) The Hedging-Entity is able to fully hedge its position with respect to the Replacement Fund as at the date on which Issuer and/or the Calculation Agent selects the Replacement Fund(s).

Any reference in the Conditions to the Fund shall, to the extent appropriate, be deemed to refer to the Replacement Fund.

**(4) Correction of a relevant price**

In the event that a price of the Fund Unit as determined and published on behalf the Fund which is relevant for the Products is subsequently corrected and the correction (the "**Corrected Price**") is published on behalf the Fund after the original publication, but by the Final Fixing Date (exclusive), the Issuer and/or the Calculation Agent shall be entitled to effect adjustments to these Conditions taking into account the Corrected Price, to account for the correction. The adjustment and the date of its first application shall be published in accordance with § 4 of the General Conditions.

**(5) Notification of Adjustment**

Upon making any adjustment pursuant to these Conditions, the Issuer and/or Calculation Agent shall give notice to the Holders in accordance with § 4 of the General Conditions, stating the relevant adjustment.

*[insert in the case of a Basket as Underlying:*

***(6) Additional adjustments in the case of a Basket as Underlying***

If in relation to a Basket Component an adjustment (as described in the Conditions) is necessary, the Issuer and/or Calculation Agent shall (in addition to the adjustments pursuant to the Conditions in relation to each Basket Component) be entitled, but not obliged to either

- (i) remove from the Basket the affected Basket Component without replacement (if applicable by implementing correction factors with respect to the remaining Basket Components) or
- (ii) replace the Basket Component in whole or in part by a new Basket Component (if applicable by implementing correction factors with respect to the Basket Components contained in the Basket) (the "**Successor Basket Component**").

In this case the Successor Basket Component will be deemed to be the Basket Component and any reference in these Conditions to the affected Basket Component, to the extent permitted by the context, shall be deemed to refer to the Successor Basket Component.]

**§ 13**

**Extraordinary Termination**

***(1) Existence of an Additional Termination Event***

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 of the Issue Specific Conditions is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"**Additional Termination Event**" means [an Increased Cost of Hedging][,] [and] [a Change in Law][,] [and] [a Hedging Disruption][,] [and] [an Increased Cost of Collateralization].

***(2) Redemption in the event of an Extraordinary Termination***

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8 of the Issue Specific Conditions.

***(3) Definitions***

["**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or

(B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Increased Cost of Collateralization**" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision "**Borrowing Entity**" means the Issuer or Collateral Provider or any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["**Change in Law**" means that on or after the Issue Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer and/or Calculation Agent determine in good faith that (X) [it has become illegal to hold, acquire or dispose of the Underlying(s) and/or one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).]

["**Hedging Entity**" means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]]

*[insert in the case of Products linked to an interest rate or reference rate as Underlying or as a Basket Component:]*

**§ 11**

**Market Disruption**

(not applicable)

**§ 12**

**Adjustments**

**(1) Determination of the Underlying and/or Basket Components**

The relevant rate of the Underlying and/or one or more Basket Components applicable to the Products in respect of any Underlying Valuation Date will be determined by the Calculation Agent in its reasonable discretion on the following basis:

- (a) the Calculation Agent will, in its reasonable discretion, determine the respective rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Underlying Valuation Date;
- (b) if on a Underlying Valuation Date the relevant rate of the Underlying and/or one or more Basket Components does not appear on the relevant Screen Page or the relevant Screen Page is unavailable, the Calculation Agent will:
  - (i) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Underlying and/or the relevant Basket Component at approximately the Relevant Time on the Underlying Valuation Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
  - (ii) determine the arithmetic mean of such quotations (rounded upward or downwards, if necessary, to the Quotation Rounding),

provided that if fewer than two such quotations are provided as requested under (a) above, then the relevant rate of the Underlying and/or the relevant Basket Component shall be determined by the Calculation Agent in its reasonable discretion.

- (c) if the Calculation Agent has determined, in its reasonable discretion, that a Underlying Event has occurred, it is notwithstanding the provisions above in paragraphs (a) and (b) entitled,
  - (i) if a successor reference rate has been determined for the respective Underlying and/or Basket Component by a public announcement issued by the administrator of the respective Underlying and/or Basket Component, the competent central bank or a regulatory and/or supervisory authority or a successor administrator, to set such rate as the successor reference rate (the "**Successor Reference Rate**") and to use it instead of the respective Underlying and/or Basket Component on the relevant Underlying Valuation Date and on any subsequent Underlying Valuation Date for the Products;

- (ii) if a Successor Reference Rate has not been determined by such announcement, to set as the successor reference rate a rate which is comparable to the respective Underlying and/or Basket Component at its reasonable discretion and taking into account market practices (the "**Successor Reference Rate**") and to use such Successor Reference Rate on the relevant Underlying Valuation Date and any subsequent I Underlying Valuation Date for the Products, where, if the Calculation Agent determines that an appropriate rate exists which is generally accepted in the financial sector as the Successor Reference Rate for the respective Underlying and/or Basket Component, it will set such rate as the Successor Reference Rate for the Products and will use that Successor Reference Rate for the Products on the relevant Underlying Valuation Date and any subsequent Underlying Valuation Date,

provided that, in the event that a Successor Reference Rate is determined by the Calculation Agent pursuant to subparagraphs (i) or (ii) above, the Calculation Agent shall be entitled to determine in its reasonable discretion the method for periodically determining the amount of the Successor Reference Rate and, if necessary, to make adjustments to the provisions of the Conditions on which the Products are based with respect to the calculation of the Successor Reference Rate and the Coupon and the redemption of the Products in general (including an adjustment of the Coupon periods, the Coupon calculation and the time at which the relevant rate of the Underlying and/or the Basket Component is determined), provided that only such adjustments are made that do not result in an economic disadvantage to the Holder compared to the provisions prior to the occurrence of the Underlying Event. The determination of a Successor Reference Rate and any adjustments to the Conditions on which the Products are based pursuant to the preceding paragraphs as well as the respective effective dates thereof shall be announced by the Calculation Agent in accordance with Section 4 (Notices) of the General Conditions.

If the Calculation Agent determines, in its reasonable discretion, that in the case of a Underlying Event, it is not possible to determine a Successor Reference Rate it may direct the Issuer to redeem the Products under Section 3 of the Issue Specific Conditions below.

## (2) *Definitions*

"**Underlying Event**" means (a) any permanent and final termination of the determination, provision or publication of the relevant Underlying and/or Basket Component by any administrator in circumstances where no successor administrator exists, or any other permanent and final discontinuation of the existence of the respective Underlying and/or Basket Component or (b) a material change in the methodology of determining or calculating the relevant rate of the respective Underlying and/or Basket Component as compared to the methodology used at the Issue Date if such change results in the respective rate, calculated in accordance with the new methodology, no longer representing, or being apt to represent adequately, the (original) rate or in terms of economic substance no longer being comparable to the (original) rate determined or calculated in accordance with the methodology used at the Issue Date or (c) the applicability of any law or any other legal provision, or of any administrative or judicial order, decree or other binding measure, pursuant to which the relevant rate may no longer be used to determine the payment obligations under the Products, or pursuant to which any such use is subject to not only immaterial restrictions or adverse consequences.

"**Relevant Screen Page**" means the relevant screen page specified in **Table 2** in the Annex.

"**Relevant Financial Centre**" means the city specified in **Table 2** in the Annex.

"**Relevant Time**" means the relevant time specified in **Table 2** in the Annex.

"**Quotation Rounding**" means the rounding specified in **Table 2** in the Annex.

"**Reference Banks**" means such number of major banks as specified in **Table 2** in the Annex and selected by the Calculation Agent, in its reasonable discretion, in the Relevant Financial Centre.

### § 13

#### Extraordinary Termination

##### *(1) Existence of an Additional Termination Event*

If, in the opinion of the Issuer and/or Calculation Agent, an adjustment pursuant to § 12 of the Issue Specific Conditions is not possible or not commercially reasonable, or upon occurrence of an Additional Termination Event the Issuer may by giving not less than ten (10) nor more than thirty (30) Business Days' irrevocable notice in accordance with the procedure set out in § 4 of the General Conditions, redeem the Products early. The termination shall become valid on the day of the notice in accordance with § 4 of the General Conditions.

"**Additional Termination Event**" means [an Increased Cost of Hedging][,] [and] [a Change in Law][,] [and] [a Hedging Disruption][,] [and] [an Increased Cost of Collateralization].

##### *(2) Redemption in the event of an Extraordinary Termination*

In the event of an extraordinary termination of the Products, the Issuer will cause to be paid to each Holder in respect of each such Product held by it an amount determined by the Issuer and/or the Calculation Agent in its/their reasonable discretion as the reasonable market price of a Product immediately prior to the event justifying the extraordinary termination. Payment will be made to the relevant Clearing System(s) pursuant to § 8 of the Issue Specific Conditions.

##### *(3) Definitions*

["**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Hedging Entity deems necessary to hedge the risk in respect of entering into and performing the Issuer's obligations under the relevant Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

["**Increased Cost of Collateralization**" means that the Borrowing Entity would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense, fee or other cost (other than brokerage commissions) to acquire, hold, substitute, maintain any transaction(s) or asset(s) the Borrowing Entity deems necessary to borrow in order to collateralize the Products. For the purpose of this provision "**Borrowing Entity**" means the Issuer or Collateral Provider or

any affiliate(s) of the Issuer or Collateral Provider or any entity (or entities) acting on behalf of the Issuer or Collateral Provider engaged in any underlying or borrowing transactions in respect of the Issuer's obligations arising from the Products.]

["**Change in Law**" means that on or after the Issue Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer and/or Calculation Agent determine in good faith that (X) [it has become illegal to hold, acquire or dispose of the Underlying(s) and/or one or more Basket Components, or (Y) the Hedging Entity will incur a materially increased cost in performing its obligations arising from the Products (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).]

["**Hedging Entity**" means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations arising from the Products.]

["**Hedging Disruption**" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Issuer deems necessary to hedge the risk of entering into and performing its obligations arising from the Products, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).]

2. **General Conditions**

a) **General Conditions for Products governed by German law**

**§ 1**

**Presentation Period, Prescription**

The period for presentation of the Products (pursuant to § 801 (1) sentence 1 of the German Civil Code) shall be reduced to ten years from the date on which the relevant obligation of the Issuer arising from the Products first becomes due, and the period of limitation for claims arising from the Products presented during the period for presentation shall be two years calculated from the expiration of the presentation period.

**§ 2**

**Substitution of the Issuer**

***(1) Conditions precedent for substitution of the Issuer***

The Issuer may at any time, without the consent of the Holders, substitute for the Issuer another company as Issuer (the "**New Issuer**") in respect of all obligations arising from or in connection with the Products, provided that

- (a) the New Issuer assumes all obligations of the Issuer arising from or in connection with the Products;
- (b) the New Issuer has agreed to indemnify and hold harmless each Holder against any tax, duty, assessment or governmental charge imposed on such Holder resulting from the substitution of the Issuer by the New Issuer;
- (c) the Issuer unconditionally and irrevocably guarantees all obligations of the New Issuer arising from the Products to the benefit of the Holders and the text of this guarantee has been published in accordance with § 4 of the General Conditions; and
- (d) all actions, conditions and steps which have to be initiated, fulfilled and performed (including obtaining any necessary consent) to ensure that the Products represent lawful, effective and binding obligations of the New Issuer have been initiated, fulfilled and performed and are, without limitation, legally valid and effective,

***(2) Consequences of substitution***

In the event of such substitution of the Issuer, any reference to the Issuer in the Conditions shall then be deemed to be a reference to the New Issuer.

***(3) Notification of substitution***

The substitution of the Issuer according to paragraph (1) shall be announced in accordance with § 4 of



the General Conditions. Upon fulfilment of the above conditions, the New Issuer shall in all respects substitute the Issuer and the Issuer shall be released from all obligations associated with the function of Issuer towards the Holders arising from or in connection with the Products.

### § 3

#### **Further Issues; Repurchase**

##### ***(1) Further Issues***

The Issuer may from time to time without the consent of the Holders issue further products having the same terms and conditions as the Products (with the exception of the issue price of the further products) (so that, for the avoidance of doubt, references in the conditions of such products to "**Issue Date**" shall be to the first issue date of the Products) and the same shall be consolidated and form a single series with such Products, and references in these Conditions to "Products" shall be construed accordingly.

##### ***(2) Repurchase***

The Issuer and any of its subsidiaries or affiliates may at any time purchase Products in the open market or otherwise at any price. All Products purchased by or on behalf of the Issuer or any of its subsidiaries or affiliates may either be held or resold or cancelled. The obligations of the Issuer in respect of any Products so cancelled shall be discharged.

### § 4

#### **Notices**

##### ***(1) Notices***

Notices concerning the Products shall be published on the "**Website**" set out in § 3 of the applicable Issue Specific Conditions (or on another website which shall be announced by the Issuer at least six weeks in advance in accordance with these provisions). To the extent that required by law, or exchange regulations or if the Issuer otherwise considers it practical and helpful to Holders, notices will be made in addition in a newspaper of general circulation in the Offer States. Each of such notifications shall be deemed to be validly effected on the date of the first publication, provided that the notice does not specify a later date of effectiveness.

##### ***(2) Notifications to the Clearing System***

In addition to such publication pursuant to paragraph (1) the Issuer is entitled to transmit a notification to the Clearing System to be forwarded to the Holders. Even if a notification to the Clearing System takes place, the first publication pursuant to paragraph (1) shall remain relevant for the time when the notification becomes effective.

##### ***(3) Notices in accordance with the rules and regulations of the SIX Swiss Exchange AG***

If the Products are listed on the SIX Swiss Exchange AG, the Issuer shall, in addition to the publica-

tion pursuant to paragraph (1) and the notification pursuant to paragraph (2), publish notices in accordance with the applicable Swiss laws and rules and regulations of the SIX Swiss Exchange AG.

**§ 5**

**Agents**

***(1) Fiscal Agent; Paying Agent(s); Calculation Agent(s)***

The Fiscal Agent, the Paying Agent(s) and the Calculation Agent(s) will be specified in § 3 of the Issue Specific Conditions.

***(2) Status***

The Fiscal Agent, the Paying Agent(s) and the Calculation Agent(s) act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Holder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, Paying Agent(s) or the Calculation Agent(s) and to appoint additional or other Paying Agents. The Fiscal Agent, the Paying Agent(s) and the Calculation Agent(s) shall be exempt from the restrictions of Section 181 of the German Civil Code (*Bürgerliches Gesetzbuch*).

References in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions.

***(3) Replacement of the Calculation Agent; Notification***

If the Calculation Agent is unable or unwilling to act as such or if a Calculation Agent fails duly to calculate any Redemption Amount or other amounts or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent to act as such in its place. A Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

Notice of any change of agents or any change of any specified office shall be given to the Holder in accordance with § 4 of the General Conditions.

**§ 6**

**Correction of the Conditions; Termination in case of errors**

***(1) Correction of manifest typing or calculation errors***

The Issuer may without the consent of the Holders correct any evident typing or calculation errors in these Issue Specific Conditions relating to the determination of the Redemption Amount or the Coupon Amount, as the case may be. The Issuer may assess evidence and comprehension of an experienced investor being relevant for the correction through consulting an official expert. Corrections of these Terms and Conditions shall be published in accordance with § 4 of the General Conditions.

***(2) Amendment of contradictory provisions, supplement of incomplete provisions***

The Issuer may amend any contradictory provisions contained in these Terms and Conditions without the consent of the Holders. The amendment may only serve to eliminate the contradiction and may not result in any other changes to the Terms and Conditions. The Issuer may furthermore supplement any incomplete provisions in these Terms and Conditions without the consent of the Holders. The supplement may only serve to complete the omission and may not result in any other changes to the Terms and Conditions. Any amendments or supplements to these Terms and Conditions shall be published in accordance with § 4 of the General Conditions.

***(3) Termination option of the Holder in case of correction or amendment and/or supplement***

In the event of a correction according to paragraph (1) or an amendment or supplement according to paragraph (2), the Holder may terminate the Products within six weeks of publication of the correction, amendment or supplement with immediate effect by written notice of termination to the Paying Agent (via the credit institution with which the Holder maintains the relevant securities account) if the correction, amendment or supplement changes the contents or scope of the Issuer's duties to perform in a manner which is not foreseeable for and disadvantageous to the Holder. The Issuer shall point out the possible right of termination to the Holders, including the termination modalities and the Holder's option regarding the termination amount, in the publication in accordance with paragraph (1) or paragraph (2), as applicable. The date of termination within the meaning of this paragraph (3) (the "**Correction Termination Date**") is the date on which the notice of termination is received by the Paying Agent. Effectively exercising a termination by the Holder requires the receipt of a notice of termination signed in legally valid form. Such notice shall contain as follows: (i) name of the Holder, (ii) name and number of the Products being terminated, and (iii) a specified appropriate bank account to which the termination amount shall be transferred.

***(4) Termination right in the event of no correction or amendment and/or supplement***

In the event that a correction according to paragraph (1) or an amendment or supplement according to paragraph (2) does not come in to consideration, the Issuer as well as each Holder of the Products may terminate the Products provided that the requirements of challenge pursuant to §§ 119 of the German Civil Code are met in relation to the relevant Holders of the Products or, as the case may be, the Issuer. The Issuer may terminate the Products in whole but not in part by publication in accordance with § 4 of the General Conditions; the termination must point out the Holder's option with regard to the termination amount. The Holder may terminate the Products by giving notice of termination to the Paying Agent (via the credit institution with which the Holder maintains the relevant securities account); as regards the content of such notice, paragraph (3) sentence 4 shall apply accordingly. The termination by a Holder does not affect any other Holder. The date of termination within the meaning of this paragraph (4) (the "**Mistake Termination Date**") is, in case of termination by the Issuer, the date on which the publication was made. In case of termination by a Holder, the Mistake Termination Date is the date on which the Paying Agent receives the notice of termination. The termination shall be effected without delay once the party being authorised to terminate has gained knowledge of the reason for termination.

**(5) Termination amount**

In the event of an effective termination according to paragraph (3) or paragraph (4), the Issuer shall pay a termination amount to the Holders. The termination amount shall be equivalent to either (i) the Market Price of a Product as defined below last determined by the Calculation Agent or (ii) upon request by the Holder the purchase price paid by the Holder at the time of purchase of the Product, provided it submits evidence of this purchase price to the Paying Agent. The market price (the "**Market Price**") of the Products corresponds to a sum determined by the Calculation Agent – as the case may be after consulting an independent official expert determined by the Issuer – in its reasonable discretion taking into account the market conditions prevailing on the Business Day immediately preceding the Termination Date. The Issuer shall cause the payment of termination amount within five (5) Business Days of the Termination Date. If the Holder requires the purchase price paid to be redeemed after the Termination Date, the difference by which the purchase price exceeds the Market Price will be subsequently transferred. Upon payment of the termination amount all rights in the terminated Products will expire. This is without prejudice to the Holder's rights to compensation for possible damages suffered due to reliance on the validity of a declaration in accordance with § 122 (1) of the German Civil Code, insofar as such claims are not excluded due to knowledge of the reasons for termination on the part of the Holder or its lack of knowledge as a result of negligence in accordance with § 122 (2) of the German Civil Code.

**§ 7****Governing Law, Place of Performance, Jurisdiction****(1) Governing law**

The Products are governed by, and shall be construed in accordance with, **German law**.

**(2) Place of Performance**

Place of performance is Frankfurt am Main.

**(3) Jurisdiction**

The Regional Court (*Landgericht*) of Frankfurt am Main is to have jurisdiction to settle any disputes that may arise from or in connection with any Products and accordingly any legal action or proceedings arising from or in connection with any Products ("**Proceedings**") may be brought in such court. The Issuer irrevocably submits to the jurisdiction of the Regional Court (*Landgericht*) of Frankfurt am Main and waives any objection to Proceedings in such court on the grounds of venue or on the grounds that the Proceedings have been brought in an inconvenient forum. These submissions are made for the benefit of each of the Holders and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

**b) General Conditions for Products governed by Swiss law**

**§ 1**

**Prescription**

In accordance with Swiss law, claims of any kind against the Issuer arising under the Products will be prescribed ten years after the date on which the respective payment or delivery has become due, except for claims for interests payments which will be prescribed five years after such payments have become due.

**§ 2**

**Substitution of the Issuer**

***(1) Conditions precedent for substitution of the Issuer***

The Issuer may at any time, without the consent of the Holders, substitute for the Issuer another company as Issuer (the "**New Issuer**") in respect of all obligations arising from or in connection with the Products, provided that

- (a) the New Issuer assumes all obligations of the Issuer arising from or in connection with the Products;
- (b) the New Issuer has agreed to indemnify and hold harmless each Holder against any tax, duty, assessment or governmental charge imposed on such Holder resulting from the substitution of the Issuer by the New Issuer;
- (c) the Issuer unconditionally and irrevocably guarantees all obligations of the New Issuer arising from the Products to the benefit of the Holders and the text of this guarantee has been published in accordance with § 4 of the General Conditions; and
- (d) all actions, conditions and steps which have to be initiated, fulfilled and performed (including obtaining any necessary consent) to ensure that the Products represent lawful, effective and binding obligations of the New Issuer have been initiated, fulfilled and performed and are, without limitation, legally valid and effective.

***(2) Consequences of substitution***

In the event of such substitution of the Issuer, any reference to the Issuer in the Conditions shall then be deemed to be a reference to the New Issuer.

***(3) Notification of substitution***

The substitution of the Issuer according to paragraph (1) shall be announced in accordance with § 4 of the General Conditions. Upon fulfilment of the above conditions, the New Issuer shall in all respects substitute the Issuer and the Issuer shall be released from all obligations associated with the function of Issuer towards the Holders arising from or in connection with the Products.

**§ 3****Further Issues; Repurchase*****(1) Further Issues***

The Issuer may from time to time without the consent of the Holders issue further products having the same terms and conditions as the Products (with the exception of the issue price of the further products) (so that, for the avoidance of doubt, references in the conditions of such products to "**Issue Date**" shall be to the first issue date of the Products) and the same shall be consolidated and form a single series with such Products, and references in these Conditions to "Products" shall be construed accordingly.

***(2) Repurchase***

The Issuer and any of its subsidiaries or affiliates may at any time purchase Products in the open market or otherwise at any price. All Products purchased by or on behalf of the Issuer or any of its subsidiaries or affiliates may either be held or resold or cancelled. The obligations of the Issuer in respect of any Products so cancelled shall be discharged.

**§ 4****Notices*****(1) Notices***

Notices concerning the Products shall be published on the "**Website**" set out in § 3 of the applicable Issue Specific Conditions (or on another website which shall be announced by the Issuer at least six weeks in advance in accordance with these provisions). To the extent that required by law, or exchange regulations or if the Issuer otherwise considers it practical and helpful to Holders, notices will be made in addition in a newspaper of general circulation in the Offer States. Each of such notifications shall be deemed to be validly effected on the date of the first publication, provided that the notice does not specify a later date of effectiveness.

***(2) Notifications to the Clearing System***

In addition to such publication pursuant to paragraph (1) the Issuer is entitled to transmit a notification to the Clearing System to be forwarded to the Holders. Even if a notification to the Clearing System takes place, the first publication pursuant to paragraph (1) shall remain relevant for the time when the notification becomes effective.

***(3) Notices in accordance with the rules and regulations of the SIX Swiss Exchange AG***

If the Products are listed on the SIX Swiss Exchange AG, the Issuer shall, in addition to the publication pursuant to paragraph (1) and the notification pursuant to paragraph (2), publish notices in accordance with the applicable Swiss laws and rules and regulations of the SIX Swiss Exchange AG.

**§ 5**  
**Agents**

***(1) Fiscal Agent; Paying Agent(s); Calculation Agent(s)***

The Fiscal Agent, the Paying Agent(s) and the Calculation Agent(s) will be specified in § 3 of the Issue Specific Conditions.

***(2) Status***

The Fiscal Agent, the Paying Agent(s) and the Calculation Agent(s) act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Holder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, Paying Agent(s) or the Calculation Agent(s) and to appoint additional or other Paying Agents. The Fiscal Agent, the Paying Agent(s) and the Calculation Agent(s) shall be exempt from the restrictions of self-dealing.

References in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions.

***(3) Replacement of the Calculation Agent; Notification***

If a Calculation Agent is unable or unwilling to act as such or if a Calculation Agent fails duly to calculate any Redemption Amount or other amounts or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent to act as such in its place. A Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

Notice of any change of agents or any change of any specified office shall be given to the Holder in accordance with § 4 of the General Conditions.

**§ 6**  
**Correction of the Conditions**

The Issuer shall be entitled to amend without the consent of the Holders any term or condition for the purpose of a) correcting a manifest error or b) clarifying any uncertainty, or correcting or supplementing the terms and conditions in such manner as the Issuer deems necessary or desirable, provided that the Holder does not incur significant financial loss as a consequence thereof.

However, the Issuer shall at all times be entitled to amend any Conditions where, and to the extent, the amendment is necessitated as a consequence of legislation, decisions by courts of law, or decisions taken by governmental authorities.

Amendments to the Conditions will be notified in accordance with § 4 of the General Conditions.

§ 7

**Governing Law, Jurisdiction,  
Invalid Conditions**

***(1) Applicable law***

Products are governed by and to be interpreted in accordance with **Swiss law**.

***(2) Jurisdiction***

In relation to any proceedings in respect of the Products, the Issuer irrevocably submits to the jurisdiction of the Commercial Court of the Canton of Zurich (*Handelsgericht des Kantons Zürich*), place of jurisdiction being Zurich with the right of appeal to the Swiss Federal Supreme Court in Lausanne where the law permits, and waive any objection to proceedings in such courts whether on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum (*Forum non conveniens*). This submission is made for the benefit of each of the Holders and shall not limit the right of any of them to take proceedings in any court of competent jurisdiction nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction (whether concurrently or not).

***(3) Invalid Conditions***

Should any provision of these Conditions be or become invalid in whole or in part, the other provisions shall remain in force. The invalid provision shall be replaced by a valid provision that achieves the economic purpose of the invalid provision to the extent permitted by law.



## VI. TAXATION

### 1. General

The following is a general discussion of certain tax consequences of the acquisition and ownership of Products. This description does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Products and does not take into account the individual position of the investor. The information contained in the following section shall not be considered as legal or tax advice nor shall it be regarded as such.

Purchasers of Products may be required to pay stamp taxes and other taxes and/or charges in connection with the Products. Prospective purchasers of Products should be aware that transactions involving the Products, any purchase or disposal of or other dealings in a Product, the abandonment of a Product, and any transaction involved in the exercise and settlement or, as the case may be, redemption of a Product, may have tax consequences in any jurisdiction (including, but not limited to, possible liabilities to stamp duties, transfer and registration taxes). Such tax consequences may depend, amongst other things, upon the status of the potential purchaser of a Product. Purchasers of Products should consult their own tax advisors about the tax implications of purchasing and holding a Product, any transaction involving a Product, and any transaction involved in the exercise and settlement or, as the case may be, redemption of a Product.

This section contains general information on regulations of tax law that were in force at the date of the Base Prospectus.

The Issuer assumes no responsibility for the withholding of tax at source, except for Products subject to Swiss withholding tax where the Issuer will arrange for withholding of taxes at the source.

### 2. International Exchange of Information

Based on the so-called „OECD Common Reporting Standard“, the states which have committed themselves to implement this standard (**Participating States**) will exchange potentially taxation-relevant information about financial accounts which an individual holds in a Participating State other than his country of residence. This procedure will commence in 2017 with information for the year 2016. The same applies for the member states of the European Union. Due to an extension of the Directive 2011/16/EU on administrative cooperation in the field of taxation (**Mutual Assistance Directive**), the member states will from 2017 onwards (starting with the information for the year 2016) exchange financial information on notifiable financial accounts of individuals which are resident in another member state of the European Union.

So far, the exchange of information on savings interest income was mainly regulated by the EU Council Directive 2003/48/EC on taxation of savings income (**EU Savings Directive**). The EU Savings Directive provided for an exchange of information between authorities of the member states regarding interest payments and equivalent payments by paying offices of a member state to a private individual with domi-

cile for tax purposes in another member state. In order to prevent an overlap between the EU Savings Directive and the amended Mutual Assistance Directive, with effect as of 1 January 2017 (Austria) or 1 January 2016 (all other member states), respectively, the EU Savings Directive was repealed (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on payments made before those dates).

The Mutual Assistance Directive was extended by the Directive 2018/822/EU on the obligation to report cross-border tax arrangements (DAC-6 Directive), which was also integrated into the exchange of information. The Directive entered into force on 25 June 2018 and must be implemented into national law by 31 December 2019. In addition, it is to be expected that the German legislator will implement a duty of disclosure for domestic tax arrangements (approval of the Conference of Finance Ministers on 21 June 2018).

A number of non-EU countries and certain dependent or associated territories of certain member states have adopted measures which are similar to the EU Savings Directive (either provision of information or transitional withholding). These measures apply until further amendments to the OECD common reporting standard and the amended Mutual Assistance Directive, respectively.

Prospective Products Holders are advised to consult their own tax advisors in relation to the further developments.

### 3. German Taxation

The following explanations take into account only the taxation of German tax residents whose domicile, habitual abode, statutory seat or effective place of management is located in Germany (**German tax residents**).

In case of German tax residents being individuals who hold the Products as private assets interest payments and capital returns from the sale or repayment or exercise of the Products for cash settlement are subject to a German withholding tax, if the Products are kept or managed in an investment portfolio in a domestic credit or financial services institution (including a domestic branch office of a foreign credit or financial services institution) or in a domestic trading company or domestic trading bank, or if the sale is carried out through these institutions and the payment of interest or capital returns is paid out or credited by the respective institution (**paying office**).

In principle, the basis for calculation is the interest amount or the difference between the income from the sale or repayment after deduction of expenses that are directly related to the sale transaction or the repayment, and the acquisition costs. In the case of transactions that are not conducted in euros, the income must be converted into euros at the time of sale and the cost of purchase into euros at the time of purchase.

Certain Products provide for a physical delivery of securities instead of a cash settlement according to the relevant Conditions of such Products. In this case, the acquisition costs of the initial Products would be deemed to be the acquisition costs of the delivered securities if certain requirements are met so that under certain circumstances the conversion would be treated as tax neutral. However, capital gains realized upon an on-sale of the received securities would be taxable.

The withholding tax rate is 26.375% (including the solidarity surcharge, plus church tax if applicable).

In the course of determining the annual investment income an annual exemption of EUR 801 for individual tax payers or EUR 1,602 for tax payers who are assessed jointly, is deducted as a lump sum (*Sparer-Pauschbetrag*). Subject to specific requirements the investment income is not subject to German withholding tax. This is the case if a withholding tax exemption certificate (*Freistellungsauftrag*) is issued or if a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) is submitted. A withholding tax exemption certificate needs to be submitted to the paying office and leads to an exemption equaling the lump sum deduction amount at the maximum. A certificate of non-assessment is issued by the local tax office being competent for the Product Holder and needs to be submitted to the paying office.

In principle, the income tax is covered with respect to these revenues with the deduction of the withholding tax (so called final withholding tax). The actual expenses in connection with the capital gains are not deductible for tax purposes. For individuals subject to church tax an electronic information system for church withholding tax purposes applies in relation to investment income, with the effect that church tax will be collected automatically by the paying office by way of withholding unless the Product Holder has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*) in which case the Product Holder will be assessed to church tax.

If the capital returns are not paid out by a paying office and if, therefore, no withholding tax is due, the income is subject to a tax rate of 26.375% (including the solidarity surcharge, plus church tax if applicable).

A general assessment at the individual personal tax rate is possible if the personal marginal tax rate of the taxpayer does not exceed 25%. (*Günstigerprüfung*). However, also within this assessment procedure, no deduction of income-related expenses is possible.

In case the Products of German tax residents are held as business assets, the aforementioned considerations generally apply *mutatis mutandis*. However, German withholding tax levied, if any, is not final but will be credited as prepayments against the German personal income or corporate income tax (plus solidarity surcharge). Amounts over withheld will generally entitle the Product Holder to a refund. The lump sum deduction procedures (*Sparer-Pauschbetrag*) are not applicable. Instead actual expenses incurred can generally be deducted. The investment income is additionally subject to German trade tax, as the case may be. Subject to specific requirements capital gains from the sale or repayment or exercise of the Products for cash settlement are not subject to German withholding tax.

It should be noted that the coalition agreement of the 19th legislative period stipulates the partial abolition of the final withholding tax, in particular, on private investment income such as interest income. Such income will then be subject to the personal tax rate. Furthermore, the solidarity surcharge shall be abolished for a certain number of taxpayers.

The gratuitous transfer of a Product by a Product Holder as a gift or by reason of the death of the Product Holder is subject to German gift or inheritance tax if the Product Holder or the recipient is resident or deemed to be resident in Germany under German law at the time of the transfer. If neither the Product Holder nor the recipient is resident, or deemed to be resident, in Germany at the time of the transfer no German gift or inheritance tax is levied unless the Products form part of the business property for which a permanent establishment or fixed base is maintained in Germany by the Product Holder.

*Implementation of the OECD Common Reporting Standard and the amended Mutual Assistance Directive in Germany*

In Germany, the amended EU Mutual Assistance Directive and the OECD Common Reporting Standard were implemented by the Act on the Exchange of Financial Accounts Information (*Finanzkonten-Informationsaustauschgesetz – FKAustG*) which became effective as of 31 December 2015. The main content of the act is a common reporting standard for automatic information exchange on financial accounts. In principle, the FKAustG imposes an obligation on financial institutes to transmit the necessary information to the German Federal Central Tax Office (*Bundeszentralamt für Steuern*) starting on 31 July 2017 for the tax year 2016 and for the following tax years on 31 July of the respective subsequent year. For instance, necessary information are the name, the address, the member state/s of residence and the tax identification number(s).

#### **4. United Kingdom Taxation**

The following comments are of a general nature, relating only to the position of persons who are absolute beneficial owners of the Products and is based on United Kingdom law and what is understood to be the current practice of Her Majesty's Revenue & Customs ("HMRC"), in each case at the date of this Base Prospectus, which may change at any time, possibly with retrospective effect. The following is a general overview only of the United Kingdom withholding taxation treatment at the date hereof in relation to income payments in respect of the Products. The overview also contains some very general statements about stamp duty and stamp duty reserve tax ("SDRT"). The comments are not exhaustive, and do not deal with other United Kingdom tax aspects of acquiring, holding, disposing of, abandoning, exercising or dealing in the Products.

##### *Interest payments*

Interest will only be subject to a deduction on account of United Kingdom income tax if it has a United Kingdom source in which case it may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.) subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption which may apply.

Whether or not interest has a United Kingdom source will depend on the facts. The most important factor will be the residence of debtor and the location of its assets. Interest on securities issued by a United Kingdom resident issuer or an issuer acting out of the United Kingdom are likely to have a United Kingdom source.

Where interest has a United Kingdom source, any payment of interest may nonetheless be made without withholding or deduction for or on account of United Kingdom income tax where any of the following conditions are satisfied:

(i) if the Products are and continue to be "quoted Eurobonds" as defined in section 987 of the Income Tax Act 2007. The Products will constitute "quoted Eurobonds" if they carry a right to interest and are and continue to be listed on a recognised stock exchange within the meaning of section 1005 of the Income Tax Act 2007. Products admitted to trading on a recognised stock exchange outside the United Kingdom will be treated as "listed" on a recognised stock exchange if (and only if) they are admitted to trading on that exchange and they are officially listed in accordance with provisions corresponding to those generally applicable in European Economic Area states in a country outside the United Kingdom in which there is a recognised stock exchange;

(ii) so long as the respective Issuer is authorised for the purposes of the Financial Services and Markets Act 2000 and its business consists wholly or mainly of dealing in financial instruments (as defined by section 984 of the Income Tax Act 2007) as principal, provided the payment is made in the ordinary course of that business; or

(iii) if the relevant interest is paid on Products with a maturity date of less than one year from the date of issue and which are not issued under arrangements the effect of which is to render such Products part of a borrowing with a total term of a year or more.

The references to "interest" above mean "interest" as understood in United Kingdom tax law and in particular any premium element of the redemption amount of any Products redeemable at a premium may constitute a payment of interest subject to the withholding tax provisions discussed above. The statements above do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Products or any related documentation.

### ***Information Exchange***

HMRC has powers, in certain circumstances, to obtain information. The persons from whom HMRC can obtain information include: a person who receives (or is entitled to receive) a payment derived from Products; a person who makes such a payment (received from, or paid on behalf of another person); a person by or through whom interest is paid or credited; a person who effects or is a party to transactions in respect of Products (which includes an issue of Products) on behalf of others; registrars or administrators in respect of transactions in respect of Products; and each registered or inscribed Holders. The information HMRC can obtain includes: details of the beneficial owner of the Products; details of the person for whom the Products are held, or the person to whom the payment is to be made (and, if more than one, their respective interests); information and documents relating to transactions in the Products; and, in relation to interest paid or credited on money received or retained in the United Kingdom, the identity of the security under which interest is paid.

In certain circumstances the information which HMRC has obtained using these powers may be exchanged with tax authorities in other jurisdictions.

*European Union savings directive*

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "**Savings Directive**") each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income payments ("**Savings Income**") made by a person within its jurisdiction to or collected by such a person for an individual or to certain non-corporate entities, resident in that other Member State (interest payments on the Notes will for these purposes be Savings Income). However, for a transitional period, Austria is instead applying a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

A number of non-EU countries, including Switzerland, and certain dependent or associated territories of certain Member States have adopted and implemented similar measures (either provision of information or transitional withholding - a withholding system in the case of Switzerland) in relation to payments of Savings Income made by a person within its jurisdiction to an individual, or to certain non-corporate entities, resident in a Member State.

In addition, Member States have entered into reciprocal arrangements with certain of those non-EU countries and dependent or associated territories of certain Member States in relation to payments of Savings Income made by a person in a Member State to an individual, or to certain non-corporate entities, resident in certain dependent or associated territories or non-EU countries.

Where an individual Holder receives a payment of Savings Income from any Member State or dependent or associated territory employing the withholding arrangement, the individual Holder may be able to elect not to have tax withheld. The formal requirements may vary slightly from jurisdiction to jurisdiction. They generally require the individual Holder to produce certain information (such as his tax number) and consent to details of payments and other information being transmitted to the tax authorities in his home state. Provided that the other Tax Authority receives all of the necessary information the payment will not suffer a withholding under EC Council Directive 2003/48/EC or the relevant law conforming with the directive in a dependent or associated territory.

Prospective Security Holders should note that an amended version of the Savings Directive was adopted by the European Council on 24 March 2014 (the "**Amending Directive**"), which is intended to close loopholes identified in the current Savings Directive. The amendments, which must be transposed by Member States prior to 1 January 2016 and which will apply from 1 January 2017, will extend the scope of the Savings Directive to (i) payments made through certain intermediate structures (whether or not established in a Member State) for the ultimate benefit of an EU resident individual, and (ii) a wider range of income similar to interest.

The Organisation for Economic Co-operation and Development ("**OECD**") has been tasked by the G20 with undertaking the technical work needed to take forward the single global standard for automatic ex-

change of financial account information endorsed by the G20 in 2013. The OECD has released a full version of the Standard for Automatic Exchange of Financial Account Information in Tax Matters (the "**Common Reporting Standard**"), which calls on governments to obtain detailed account information from their financial institutions and exchange that information automatically with other jurisdictions on an annual basis. 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 are required to adopt and publish the laws, regulations and administrative provisions necessary to comply with the ACD by 31 December 2015. They are required to apply these provisions from 1 January 2016 and to start the automatic exchange of information no later than end of September 2017.

Therefore, the European Commission has proposed the repeal of the EU Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to ongoing requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the Savings Directive and the ACD (as amended by Council Directive 2014/107/EU). The proposal also provides that, if it proceeds, Member States will not be required to apply the new requirements of the Amending Directive.

### ***United Kingdom Stamp Duty and Stamp Duty Reserve Tax***

#### *Issue*

No UK stamp duty or stamp duty reserve tax ("**SDRT**") should generally be payable on the issue of Securities save that SDRT at 1.5% is likely to be payable on an issue of Securities where all three of the conditions in (a), (b) and (c) below are met:

- (a) the Securities do not constitute exempt loan capital (see below);
- (b) the Securities are not covered by article 5(2) of the capital duties directive (Council Directive 2008/7/EC); and
- (c) the Securities are issued to an issuer of depositary receipts or a clearance service (or their nominees).

For the purposes of this UK tax section, the clearing systems run by Euroclear Bank and Clearstream Luxembourg constitute a "clearance service" however the CREST system run by Euroclear UK & Ireland does not.

Securities will constitute "exempt loan capital" if the Securities constitute "loan capital" (as defined in section 78 Finance Act 1986) and do not carry (and in the case of (ii)-(iv) below have never carried) any one of the following four rights:

a right for the holder of the securities to opt for conversion into shares or other securities or to acquire shares or other securities, including loan capital of the same description;

a right to interest the amount of which exceeds a reasonable commercial return on the nominal amount of the capital;

a right to interest the amount of which falls or has fallen to be determined to any extent by reference to the results of, or of any part of, a business or to the value of any property; or

a right on repayment to an amount which exceeds the nominal amount of the capital and is not reasonably comparable with what is generally repayable (in respect of a similar nominal amount of capital) under the terms of issue of loan capital listed in the Official List of the London Stock Exchange.

### *Transfer of Securities*

Transfers of interests in Securities held through a clearance service do not attract UK stamp duty or SDRT provided that no section 97A election has been made.

Where Securities do not comprise exempt loan capital and are not held through a clearance service, then, where the issuer of the Securities is a body corporate incorporated in the United Kingdom or where the Securities are registered in a register kept in the United Kingdom by or on behalf of the issuer or are the shares are "paired" with shares in a United Kingdom incorporated company within the meaning of section 99(6B) of the Finance Act 1986, agreements to transfer such Securities may attract SDRT at 0.5 per cent. of the chargeable consideration.

SDRT at 0.5 per cent. may also be payable in relation to any agreement to transfer Securities such as Warrants which give the holder the right on exercise to acquire stock, shares or loan capital in certain companies with a United Kingdom connection unless such stock, shares or loan capital would itself qualify as "exempt loan capital". A company will have a United Kingdom connection for these purposes if:

- (a) the company is incorporated in the United Kingdom;
- (b) a register of the relevant stock, shares or loan capital is kept in the United Kingdom by or on behalf of the company; or
- (c) the shares are "paired" with shares in a United Kingdom incorporated company within the meaning of section 99(6B) of the Finance Act 1986.



In addition, stamp duty at 0.5 per cent. may arise in respect of any document transferring any Security that does not comprise exempt loan capital. However, where a liability to stamp duty is paid within six years of a liability to SDRT arising the liability to SDRT will be cancelled or repaid as appropriate.

#### *Redemption or Settlement of Securities*

Stamp duty or SDRT at 0.5 per cent. may arise on Physical Settlement in certain cases.

#### *Higher Rate Charges*

Where stamp duty is payable as outlined above, it may be charged at the higher rate of 1.5 per cent. (rather than at the 0.5 per cent. rate) in respect of any document transferring or agreement to transfer Securities to a depositary receipts system or clearance service.

### 5. **Italian Taxation**

*The following is a summary of current Italian law and practice relating to the taxation of the Products (which includes Notes and Certificates). The statements herein regarding taxation are based on the laws in force in Italy as at the date of this Base Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Products and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.*

*Prospective purchasers of the Products are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Products.*

#### **(1) Italian taxation of Notes (qualifying as bonds or securities similar to bonds)**

##### **(1.1.) Interest and other proceeds**

Legislative Decree No. 239 of 1 April 1996, as amended (the "**Decree 239**"), regulates the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price, hereinafter collectively referred to as "**Interest**") from notes issued, *inter alia*, by non-Italian resident entities, falling within the category of bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*).

##### *Italian Resident Noteholders*

Where an Italian resident Noteholder who is the beneficial owner of the Notes is (i) an individual not engaged in a business activity to which the Notes are effectively connected, (ii) a non-commercial partnership (with the exception of general partnership, limited partnership and similar

entities), (iii) a non commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, Interest payments relating to the Notes are subject to a tax, referred to as *imposta sostitutiva*, levied at the rate of 26 per cent. The *imposta sostitutiva* may not be recovered by the Noteholder as a deduction from the income tax due.

In case the Notes are held by a Noteholder engaged in a business activity and are effectively connected with same business activity, the Interest will be subject to the *imposta sostitutiva* and will be included in the relevant income tax return. As a consequence, the Interest will be subject to the ordinary income tax and the *imposta sostitutiva* may be recovered as a deduction from the income tax due.

Pursuant to Decree 239, *imposta sostitutiva* is applied by banks, *società di intermediazione mobiliare* ("**SIM**"), fiduciary companies, *società di gestione del risparmio* ("**SGR**") stock exchange brokers and other entities identified by the relevant Decrees of the Ministry of Finance (the "**Intermediaries**").

An Intermediary must (a) be resident in Italy, or be a permanent establishment in Italy of a non-Italian resident financial intermediary, and (b) participate, in any way, in the collection of Interest or in the transfer of the Notes.

For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited.

Where the Notes are deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any entity paying Interest to a Noteholder. If the Interest is not collected through an Intermediary or any entity paying Interest and as such no *imposta sostitutiva* is levied, the Italian resident Noteholder listed above will be required to include Interest in their yearly income tax return and subject them to a final substitutive tax at the rate of 26 per cent.

The *imposta sostitutiva* does not apply, *inter alia*, to the following subjects, to the extent that the Notes and the relevant Coupons are deposited in a timely manner, directly or indirectly, with an Intermediary:

- (i) corporation or a similar commercial entity (including a permanent establishment in Italy of a foreign entity to which the Notes are effectively connected). Interest accrued on the Notes must be included in the relevant Noteholder's income tax return and are therefore subject to the general Italian corporate taxation ("**IRES**") and in certain circumstances, depending on the "status" of the Noteholder, also to the regional tax on productive activities ("**IRAP**");
- (ii) investment funds, i.e. open-ended or closed-ended investment fund or a SICAV (an investment company with variable capital) established in Italy ("**Funds**"), if either (i) the fund or

SICAV or (ii) their manager is subject to the supervision of a regulatory authority and the relevant Notes are held by an authorised intermediary. The Fund will not be subject to taxation on such results but a substitute tax of 26 per cent. may apply, in certain circumstances, to distributions made in favour of unitholders or shareholders.

- (iii) pension funds (subject to the tax regime set forth by article 17 of the Legislative Decree No. 252 of 5 December 2005, the "**Pension Funds**"). Interest on the Notes is included in the calculation of the annual net accrued results, which are subject to a 20 per cent.; and
- (iv) Italian resident real estate investment funds and Italian real estate SICAFs established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998 or pursuant to Article 14-bis of Law No. 86 of 25 January 1994 ("**Real Estate 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 ("**Decree 351**"), and Legislative Decree No. 44 of 4 March 2014 (the "**Decree No. 44**"), payments of Interest in respect of the Notes are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the same Real Estate Funds, but subsequent distributions made in favour of unitholders or shareholders will be subject, in certain circumstances, to a withholding tax of 26 per cent.

*Non-Italian Resident Noteholders.*

Interest payments relating to Notes received by non-resident beneficial owners (not having a permanent establishment in Italy to which the Notes are effectively connected) are generally exempted from the *imposta sostitutiva* provided that the no-Italian resident beneficial owner is either (a) resident, for tax purposes, in a country that allows a sufficient exchange of information with Italy pursuant to the list set out by Ministerial Decree of 4 September 1996 or the list that may be introduced in the future by any other law or regulation ("**White List**"); or (b) an international entity set up in accordance with international agreements in force in Italy, or (c) a Central Bank or entity that manages the official reserve of a foreign country; or (d) an institutional investor resident in a White List or New White List country, even if does not have the status of taxpayer in its country of residence.

The *imposta sostitutiva* will be applicable at the rate of 26 per cent. (or at the reduced rate provided for by the applicable double taxation, if any) to interest, premium and other income paid to Noteholders who are resident, for tax purposes, in countries that do not allow satisfactory exchange of information with Italy.

**(1.2.) Capital Gains***Italian Resident Noteholders*

Pursuant to Legislative Decree No. 461 of 21 November 1997, as amended, a 26 per cent. capital gains tax (the "CGT") is applicable to capital gains realised on the sale or transfer of the Notes for consideration or on redemption thereof by Italian resident individuals (not engaged in a business activity to which the Notes are effectively connected), regardless of whether the Notes are held outside of Italy.

For the purposes of determining the taxable capital gain, any Interest on the Notes accrued and unpaid up to the time of the purchase and the sale of the Notes must be deducted from the purchase price and the sale price, respectively.

If the Notes qualify as atypical securities, based on a very restrictive interpretation, the aforesaid capital gains would be subject to the 26 per cent. final withholding tax mentioned under paragraph "Notes qualifying as atypical securities", above.

Taxpayers can opt for certain alternative regimes in order to pay the CGT.

The aforementioned regime does not apply to the following subjects:

- (i) Corporate investors (including banks and insurance companies): capital gains on the Notes held by Italian resident corporate entities (including a permanent establishment in Italy of a foreign entity to which the Notes are effectively connected) form part of their aggregate income subject to IRES. In certain cases, capital gains may also be included in the taxable net value of production of such entities for IRAP purposes. The capital gains are calculated as the difference between the sale price and the relevant tax basis of the Notes. Upon fulfilment of certain conditions, the gains may be taxed in equal instalments over up to five fiscal years for IRES purposes.
- (ii) Funds – Capital gains realised by the Funds on the Notes contribute to determining the annual net accrued result of the same Funds (see under paragraph "Italian resident Noteholders", above).
- (iii) Pension Funds – Capital gains realised by Pension Funds on the Notes contribute to determining the annual net accrued result of the same Pension Funds, which is subject to an 11 per cent. substitutive tax (see under paragraph "Italian resident Noteholders", above).
- (iv) Real Estate Investment Funds – Capital gains realised by Italian Real Estate Investment Funds on the Notes are generally not taxable at the level of the same Real Estate Investment Funds (see under paragraph "Italian resident Noteholders", above).

*Non-Italian Resident Noteholders*

Capital gains realised by non-resident Noteholders (not having permanent establishment in Italy to which the Notes are effectively connected) on the Notes are not subject to tax in Italy, provided that the Notes (i) are traded on regulated markets, or (ii) if not traded on regulated markets, are held outside Italy.

The provisions of the applicable tax treaties against double taxation entered into by Italy apply if more favourable and all the relevant conditions are met.

**(2) Italian Taxation of Certificates***Italian Resident Certificateholders*

Pursuant to Article 67 of Presidential Decree No. 917 of 22 December 1986 ("**TUIR**") and Legislative Decree No. 461 of 21 November 1997 ("**Decree No. 461**"), as subsequently amended, where the Italian resident holder of Certificates is (i) an individual not engaged in an entrepreneurial activity to which the Certificates are connected, (ii) a non-commercial partnership, pursuant to article 5 of TUIR (with the exception of general partnership, limited partnership and similar entities) (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of the Certificates are subject to a substitute tax (*imposta sostitutiva*).

The mentioned *imposta sostitutiva* is currently levied at a rate of 26%.

The recipient may opt for three different taxation criteria.

- (a) Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity 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 offsettable capital loss, realised by the Italian resident individual holding the Certificates not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Certificates carried out during any given tax year. Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity 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 *imposta sostitutiva* on such gains together with any balance 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. Pursuant to Law Decree No. 66 of 24 April 2014 ("**Decree 66**"), as converted into law by Law No. 89 of 23 June 2014, capital losses may be carried forward to be offset against capital gains of the same nature realised after 30 June 2014 for an overall amount of: (i) 48.08 per cent. of the relevant capital losses realised

before 1 January 2012; (ii) 76.92 per cent. of the capital losses realised from 1 January 2012 to 30 June 2014.

- (b) As an alternative to the tax declaration regime, Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Certificates (the "*risparmio amministrato*" regime provided for by Article 6 of Decree No. 461). Such separate taxation of capital gains is allowed subject to (i) the Certificates being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express valid election for the *risparmio amministrato* regime being punctually made in writing by the relevant Certificateholder. The depository is responsible for accounting for *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 Certificateholder or using funds provided by the Certificateholder for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Certificates results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Pursuant to Decree 66, capital losses may be carried forward to be offset against capital gains of the same nature realised after 30 June 2014 for an overall amount of: (i) 48.08 per cent. of the relevant capital losses realised before 1 January 2012; (ii) 76.92 per cent. of the capital losses realised from 1 January 2012 to 30 June 2014. Under the *risparmio amministrato* regime, the Certificateholder is not required to declare the capital gains in the annual tax return.
- (c) Any capital gains realised or accrued by Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity 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 (regime provided for 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. substitute tax, to be paid by the managing authorised intermediary. Under this *risparmio gestito* regime, any decrease in value 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. Pursuant to Decree 66, decreases in value of the management assets may be carried forward to be offset against any subsequent increase in value accrued as of 1 July 2014 for an overall amount of: (i) 48.08 per cent. of the relevant decreases in value registered before 1 January 2012; (ii) 76.92 per cent. of the decreases in value registered from 1 January 2012 to 30 June 2014. Under the *risparmio gestito* regime, the Certificateholder is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident Certificateholder is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Certificates are effectively connected, capital gains arising from the Certificates will not be subject to *imposta sostitutiva*, but must be included in the relevant Certificateholder's income tax return and are therefore subject to Italian corporate tax (and, in certain circumstances, depending on the "status" of the Certificateholder, also as a part of the net value of production for IRAP purposes).

Any capital gains realised by a Certificateholder which is an open-ended or closed-ended investment fund (subject to the tax regime provide by Law No. 77 of 23 March 1983) (the "**Fund**") or an open-ended investment company (*società di investimento a capitale variabile* – SICAV) or an close-ended investment company, other than a real estate investment company (*società di investimento a capital fisso* – SICAF) will not be subject to the *imposta sostitutiva*. The proceeds distributed by the Fund or the SICAV/SICAF or received by certain categories of unitholders upon redemption or disposal of the units will be taxed on the investors who subscribe the quotas of the Funds or the shares of the SICAV/SICAF on a distribution basis.

Any capital gains realised by a Certificateholder which is an Italian pension fund (subject to the regime provided by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 20% ad hoc substitute tax.

As of 1 January 2015, Italian pension fund benefits from a tax credit equal to 9% of the result of the relevant portfolio accrued at the end of the tax period, provided that the pension fund invests in certain medium long term financial assets to be identified with a Ministerial Decree.

#### *Non-Italian Resident Certificateholder*

Capital gains realised by non-Italian resident Certificateholders are not subject to Italian taxation provided that the Certificates (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside Italy. Moreover, even if the Certificates are held in Italy, no *imposta sostitutiva* applies if the non-Italian resident Certificateholder is resident for tax purposes in a country which recognises the Italian tax authorities' right to an adequate exchange of information or in a country which entered into a double taxation treaty with Italy allowing for the taxation of such capital gains only in the residence country of the recipient Certificateholder, provided that the relevant procedures and conditions are met.

### **(3) Common Provisions**

#### **(3.1.) Atypical securities**

In accordance with a different interpretation of current Italian tax law, it is possible that the Products would be considered as "atypical" securities pursuant to Article 8 of Law Decree No. 512 of

30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Products may be subject to an Italian withholding tax, levied at the rate of 26%.

If the Products are placed in Italy, the withholding is levied by the Italian intermediary appointed by the Issuer, intervening in the collection of the relevant income or in the negotiation or repurchasing of the Products.

If the Products are not placed in Italy or in any case where payments on the Products are not received through any abovementioned Italian resident entity and no withholding tax is levied, the Italian resident individual investor will be required to declare the payments in their income tax return and subject them to a final withholding tax at a rate of 26 per cent. The Italian individual investor may elect instead to pay ordinary personal income tax 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.

The withholding tax mentioned above does not apply to payments made to a non-Italian resident holder of the Product and to an Italian resident holder of the Product which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution. In such cases the relevant income arising from the Products shall be reported in the investor's income tax return.

Where the investor is (i) an Italian resident individual engaged in an entrepreneurial activity to which the Products are connected, (ii) an Italian resident company or a similar Italian resident commercial entity, (iii) a permanent establishment in Italy of a foreign entity to which the Products are effectively connected, (iv) an Italian resident commercial partnership or (v) an Italian resident commercial private or public institution, the above-mentioned 26 per cent. withholding tax is a provisional withholding tax. In all other cases, the withholding tax is a final withholding tax.

### **(3.2) Stamp Duty**

Pursuant to Article 13(2-ter) of the Tariff attached to Presidential Decree No. 642 of 26 October 1972 – as amended from time to time and, in particular, by Article 19 of Law Decree No. 201 of 6 December 2011 (“**Decree No. 201**”) – a proportional stamp duty applies on an annual basis to the periodic reporting communications sent by financial intermediaries to their clients for the securities deposited therewith. The stamp duty applies at a rate of 0.20% starting from fiscal year 2014, with a cap of Euro 14,000 for corporate investors only. In case of reporting periods of less than 12 months, the stamp duty is pro-rated. This stamp duty is determined on the basis of the market value or – if no market value figure is available – the nominal value or redemption amount of the securities held.



According to the current interpretation of the law, the stamp duty applies both to Italian resident and non-Italian resident investors, to the extent that the Products are held with an Italian based financial intermediary.

### **(3.3.) *Wealth tax on securities deposited abroad***

Pursuant to Article 19(18) of Decree No. 201, Italian resident individuals holding the Products outside the Italian territory are required to pay an additional tax at a rate of 0.20% starting from fiscal year 2014.

This tax is calculated on the market value of the Products at the end of the relevant year or – if no market value figure is available – the nominal value or the redemption value of such financial assets held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due).

### **(3.4.) *Tax monitoring***

Pursuant to Law Decree No. 167 of 28 June 1990, converted by Law No. 227 of 4 August, 1990, as amended, individuals resident in Italy who hold investments abroad or have financial activities abroad must, in certain circumstances, disclose the aforesaid and related transactions to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return).

### **(3.5.) *Transfer taxes***

Following the repeal of the Italian transfer tax, as from 31 December 2007 contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarised deeds are subject to fixed registration tax at rate of EUR 200; (ii) private deeds are subject to registration tax only if a case of use occurs or in case of voluntary registration.

### **(3.6.) *Financial Transaction Tax***

Pursuant to Article 1, para. 491 and followings of Law No. 228 of 24 December 2012, the Italian Parliament introduced a financial transaction tax ("**FTT**") which applies to (a) the 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 transactions on the securities (as set forth by article 1, paragraph 1-bis, letters c) and d), of the Legislative Decree No. 58 of 24 February 1998) (iii) which allow to mainly purchase or sell one or more Relevant

Securities or (iv) implying a cash payment determined with main reference to one or more Relevant Securities.

Products are expressly included in the scope of application of the FTT if they meet the requirements set out above.

With specific reference to the transactions on securitised derivatives on the Relevant Securities (such as the Products) the FTT is due, as of 1 July 2013, regardless of the tax residence of the parties and/or where the transaction is executed.

The FTT 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.

In the case of physical settlement, the FTT is also due upon transfer of ownership rights of the underlying Relevant Securities.

The FTT on derivatives is due by each of the parties to the transactions. The FTT is not applied where one of the parties to the transaction is the European Union, the BCE, central banks of the EU Member States, foreign Central Banks or entities which manage the official reserves of a foreign State, or international bodies or entities set up in accordance with international agreements which have entered into force in Italy. Further specific exemptions exist, inter alia, for (i) subjects who carry on market making activities; (ii) mandatory social security entities and pension funds set up according to Legislative Decree No. 252 of 5 December 2005; and (iii) intragroup transfers of the Relevant Securities.

The FTT shall be levied, and subsequently paid, to the Italian Revenue by the subject (generally a financial intermediary) that is involved, in any way, in the performance of the transaction. If more than one subject is involved in the execution of the transaction, the FTT is payable by the subject who receives the order of execution by the ultimate purchaser or counterparty. Intermediaries which are not resident in Italy but are liable to collect the FTT from the taxpayers and to pay it to the Italian Revenue can appoint an Italian tax representative for the purposes of the FTT. If no intermediary is involved in the performance of the transaction, the FTT must be paid directly by the taxpayers.

### ***(3.7.) Inheritance and gift taxes***

Pursuant to Law Decree No. 262 of 3 October 2006, (Decree No. 262), converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities, such as the Products) as a result of death or donation are taxed as follows:

- (i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4.00% on the value of the inheritance or the gift exceeding EUR 1,000,000;
- (ii) transfers in favour of relatives to the fourth degree and relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6.00% on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6.00% inheritance and gift tax on the value of the inheritance or the gift exceeding EUR 100,000; and
- (iii) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8.00% on the entire value of the inheritance or the gift.

If the transfer is made in favour of persons with severe disabilities, the tax applies on the value of the entire inheritance or gift exceeding Euro 1,500,000.00 for each beneficiary.

Moreover, an anti-avoidance rule is provided in case of gift of assets, such as the Products, whose sale for consideration would give rise to capital gains to be subject to the *imposta sostitutiva* provided for by Decree No. 461, as subsequently amended. In particular, if the donee sells the Products for consideration within five years from their receipt as a gift, the latter is required to pay the relevant *imposta sostitutiva* as if the gift had never taken place.

### **(3.8.) Implementation in Italy of the EU Savings Directive**

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 ("**Decree No. 84**"). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner. Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

On 10 November 2015, the Council of the European Union adopted a Council Directive (EU) 2015/2060 repealing the Savings Directive ("**Repealing Directive**") in order to prevent overlap between the Savings Directive and a new automatic exchange of information regime to be implemented under the Mutual Assistance Directive. The new regime under the Mutual Assistance Directive (as amended by Council Directive 2014/107/EU) is in accordance with the Global Standard released by the Organisation for Economic Cooperation and Development in July 2014 and is generally broader in scope than the Saving Directive, although it does not impose withholding taxes.

With Law No. 114 of 9 July 2015, the Italian Parliament delegated the Government to implement Council Directive 2014/107/EU into domestic legislation (Council Directive 2011/16/EU has already been implemented in Italy through Legislative Decree No. 29 of 9 March 2014). The Minister of Economy and Finance issued the Decree of 28 December 2015 (published in the Official Gazette No. 303 of 31 December 2015) to implement Directive 2014/107/EU. However, the obligations of Member States, economic operators and paying agents under the EU Savings Directive shall continue to apply until 5 October 2016 (31 December 2016, with respect to the obligations under Article 13(2) of the EU Savings Directive) or until those obligations have been fulfilled.

## 6. **French Taxation**

*The following is a general description of the French withholding tax treatment of income from the Products. It does not purport to be a complete analysis of all tax considerations relating to the Products, whether in France or elsewhere. In particular, it does not describe the French tax treatment applicable to holders of Products who are tax residents of France, except in relation to French withholding tax on interest and does not discuss any other French tax such as French registration duties or French tax on financial transactions. Prospective purchasers of the Products should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Products and receiving payments of interest, principal and/or other amounts under the Products and the consequences of such actions under the tax laws of France. This overview is based upon the law as in effect on the date of this Base Prospectus, which may change at any time, possibly with retrospective effect.*

Payments of interest (and principal) by the Issuer under the Products may in principle be made without any compulsory withholding or deduction for or on account of French income taxes to the extent that the relevant Issuer is not incorporated in France or otherwise acting through a French establishment.

However, if such payments are made to French resident individuals and regarded as interest or assimilated income (e.g. reimbursement premium) for French tax purposes, the paying agent could be subject to withholding obligations. In that case, social contributions (CSG, CRDS and other related contributions) of currently 17.2 per cent. (in aggregate) and the 12.8 per cent. income tax prepayment, applicable in principle to interest and assimilated income received by French resident individuals, would generally need to be withheld and reported by the paying agent, if the paying agent is established in France (exceptions may however apply depending on level of income of the taxpayer). If the paying agent is established outside France, it is in principle not involved in this withholding obligation, unless it is established in an EU or EEA member state and has been expressly appointed by the French taxpayer to do so.

## 7. **Czech Republic Taxation**

There is no Czech withholding tax arising in connection with the Products. It is assumed that the Issuer of the Products is not a resident of the Czech Republic for Czech tax purposes, has not a permanent establishment in the territory of the Czech Republic and has not employed its employees here for more than 183 days, except for cases of providing services.

This summary does not define the exact tax implications for prospective purchasers with tax residency in the Czech Republic. Income derived from holding (interest payments) or disposal (transfer) of Products may have tax implications for prospective purchasers. Prospective purchasers of any Products should consult their own tax advisers in the Czech Republic about the tax implications of holding any Product and of any transaction involving any Product.

## 8. Swiss Taxation

The following is a general and non-binding summary of certain tax consequences according to the tax laws and the tax authorities' practice as of the date of this document. 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 Product in light of their particular circumstances.

### *(1) Stamp Taxes*

Neither the issue of Products nor the trade of Products 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 Products. Exemptions to these rules apply to Products which, due to specific features, are considered debt financing instruments (bonds, or money market securities), share-like or fund-like products, as well as Low Exercise Price Options (LEPO) on shares (with a maturity exceeding one year) for purposes of Swiss tax law. These specific types of Products are in general subject to Swiss Issue Stamp Tax and/or Swiss Securities Transfer Tax. If upon the exercise or redemption of a Product 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 Products 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.

### *(2) Swiss Withholding Tax*

Products issued by an issuer resident outside Switzerland are not subject to Swiss withholding tax.

According to a confirmation obtained from the Swiss federal tax administration, subject to certain conditions being met, the payments made from Products issued by Leonteq Securities AG, Guernsey branch, will not be subject to the Swiss withholding tax.

For Products 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 a 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.

### ***(3) Income Taxation of Products Held by Individuals as Part of Private Property***

Payments or credits received by a holder of a Product, 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 Product 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 Product 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 Product 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 Products, 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 Products as private assets. Possible losses are not tax-deductible.

Income derived from a Product 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.

***(4) Income Taxation of Warrants and Structured Products Held by Swiss Resident Entities or Individuals as Part of Business Property***

Income of any kind realized from Products 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 and on Federal level respectively. In general respective losses are deductible regarding personal or corporate income tax.

***(5) Wealth Taxation of Products Held by Swiss Resident Individuals***

The market value of Products 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.

***(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 has been and will be exchanged since 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. Dutch Taxation

### General

The following summary outlines the principal Netherlands tax consequences of the acquisition, holding, settlement, redemption and disposal of the Products, but does not purport to be a comprehensive description of all Netherlands tax considerations in relation thereto. For purposes of Netherlands tax law, a holder of Products may include an individual or entity who does not have the legal title of these Products, but to whom nevertheless the Products or the income thereof is attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in the Products or the income thereof. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of an investment in the Products.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Base Prospectus, and does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address the Netherlands tax consequences for:

- (A) holders of Products holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Issuer and holders of Products of whom a certain related person holds a substantial interest in the Issuer. Generally speaking, a substantial interest in the Issuer arises if a person, alone or, where such person is an individual, together with his or her partner (statutory defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5% or more of the total issued capital of the Issuer or of 5% or more of the issued capital of a certain class of shares of the Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in the Issuer;
- (B) investment institutions (*fiscale beleggingsinstellingen*);
- (C) pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other entities that are exempt from Netherlands corporate income tax;
- (D) persons to whom the Products and the income from the Products are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Netherlands income tax Act 2001 (*Wet inkomstenbelasting 2001*) and the Netherlands gift and inheritance tax Act (*Successiewet 1956*);
- (E) entities which are a resident of Aruba, Curacao or Sint Maarten that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba, to which permanent establishment or permanent representative the Products are attributable; and



- (F) individuals to whom Products or the income therefrom are attributable to employment activities which are taxed as employment income in the Netherlands.

Where this summary refers to the Netherlands, such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

(1) *Withholding Tax*

All payments made by the Issuer under the Products may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

(2) *Corporate and Individual Income Tax*

**Residents of the Netherlands**

If a holder is a resident or deemed to be a resident of the Netherlands for Netherlands tax purposes and is fully subject to Netherlands corporate income tax or is only subject to Netherlands corporate income tax in respect of an enterprise to which the Products are attributable, income derived from the Products and gains realised upon the redemption, settlement or disposal of the Products are generally taxable in the Netherlands (at up to a maximum rate of 25%).

If an individual is a resident or deemed to be a resident of the Netherlands for Netherlands tax purposes, income derived from the Products and gains realised upon the redemption, settlement or disposal of the Products are taxable at the progressive rates (at up to a maximum rate of 51.75%) under the Netherlands income tax act 2001, if:

- (A) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Products are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Products are attributable; or
- (B) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which include the performance of activities with respect to the Products that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (A) nor condition (B) applies, an individual that holds the Products, must determine taxable income with regard to the Products on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on income from savings and investments is fixed at a return between 1.935% and 5.60% of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a certain threshold. The individual's yield basis is determined as the fair market value of certain qualifying assets held by the holder of the Products less the fair market value of certain qualifying liabilities on 1 January. The fair market value of the Products will be included as an asset in the individual's yield basis. The deemed return on income from savings and investments is taxed at a rate of 30%.

**Non-residents of the Netherlands**

If a person is not a resident nor is deemed to be a resident of the Netherlands for Netherlands tax purposes, such holder is not liable to Netherlands income tax in respect of income derived from the Products and gains realised upon the settlement, redemption or disposal of the Products, unless:

- (A) the person is not an individual and such person (1) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Products are attributable, or (2) is (other than by way of Products) entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Products are attributable.

This income is subject to Netherlands corporate income tax at up to a maximum rate of 25%.

- (B) the person is an individual and such individual (1) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Products are attributable, or (2) realises income or gains with respect to the Products that qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*) in the Netherlands, which activities include the performance of activities in the Netherlands with respect to the Products which exceed regular, active portfolio management (*normaal, actief vermogensbeheer*), or (3) is (other than by way of Products) entitled to a share in the profits of an enterprise which is effectively managed in the Netherlands and to which enterprise the Products are attributable.

Income derived from the Products as specified under (1) and (2) is subject to individual income tax at up to a maximum rate of 51.75%. Income derived from a share in the profits as specified under (3) that is not already included under (1) or (2) will be taxed on the basis of a deemed return on income from savings and investments (as described above under “Residents of the Netherlands”). The fair market value of the share in the profits of the enterprise (which includes the Products) will be part of the individual's Netherlands yield basis.

### (3) *Gift and Inheritance Tax*

Netherlands gift or inheritance taxes will not be levied on the occasion of the transfer of a Product by way of gift by, or on the death of, a holder of a Product, unless:

- (A) the holder of a Product is, or is deemed to be, resident in the Netherlands for the purpose of the relevant provisions; or
- (B) the transfer is construed as an inheritance or gift 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 the purpose of the relevant provisions.

For the purpose of Dutch gift and inheritance tax, an individual who has the Dutch nationality will be deemed to be a resident of the Netherlands at the date of the gift or the date of his death, if he has been a resident of the Netherlands at any time during the ten years preceding the date of the gift or the date of his death.

For the purposes of Dutch gift tax, an individual who does not have the Dutch nationality will be deemed to be a resident of the Netherlands at the date of the gift, if he has been a resident of the Netherlands at any time during the twelve months preceding the date of the gift.

(4) *Value Added Tax*

In general, no value added tax will arise in respect of payments in consideration for the issue of the Products or in respect of a cash payment made under the Products, or in respect of a transfer of Products.

(5) *Other Taxes and Duties*

No registration tax, customs duty, transfer tax, stamp duty or any other similar documentary tax or duty will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Products.

**10. United States Taxation**

***Foreign Account Tax Compliance Withholding***

On 18 March 2010, the Foreign Account Tax Compliance Act (commonly known as "**FATCA**") was signed into law. Under certain circumstances, FATCA could impose a withholding tax of 30% on payments made with respect to the Products. The withholding tax may be imposed at any point in a series of payments unless the payee complies with certain information reporting and related requirements. In the case of a foreign financial institution, no withholding generally will be imposed if it enters into an agreement with the U.S. government to collect and provide to the U.S. tax authorities substantial information regarding certain U.S. account holders of such institution (which would include certain account holders that are foreign entities with U.S. owners). Other payees, including individuals, may be required to provide proof that they are not U.S. persons or, in the case of non-financial foreign entities, certain certification or information relating to U.S. ownership of the entity. In some cases, the ultimate recipient of payments might be eligible for refunds or credits of any withheld taxes. However, even if such recipient is entitled to have any such withholding refunded, the required procedures could be cumbersome and significantly delay the receipt of any withheld amounts. Investors should also consult their bank or broker through which they would hold the Products about the likelihood that payments to it (for credit to the investor) may become subject to withholding in the payment chain.

In general and subject to the Section 871(m) of the Internal Revenue Code discussion below, FATCA will only apply to payments on the Products if (i) they are treated as giving rise to "foreign passthru payments" and (ii) in the case of Products that lack a stated expiration or term, the Products are issued (or deemed issued) after the date that is six months after the U.S. Treasury Department issues final regulations defining "foreign passthru payments". Furthermore, under proposed Treasury Regulations, FATCA withholding will not apply to payments on the Products that are made prior to the date that is two years after the date on which final regulations defining the term "foreign passthru payments" are enacted. Prospective purchasers of Products should consult their own tax advisers regarding FATCA.

A number of countries have entered into, and other countries are expected to enter into, agreements with the U.S. to facilitate the type of information reporting required under FATCA. While the existence of such agreements will not eliminate the risk that Products will be subject to the withholding described above, these agreements are expected to reduce the risk of the withholding for investors in (or investors that indirectly hold Products through financial institutions in) those countries. The U.S. has entered into such agreements with the United Kingdom and Germany. Under these agreements, a financial institution that is resident in the United Kingdom or Germany and meets the requirements of the applicable agreement will not be subject to FATCA withholding on payments it receives and generally will not be required to withhold from non-U.S. source income payments that it makes, including payments on the Products.

The Issuer will not pay any additional amounts in respect of this withholding tax (or any other tax), so if this withholding applies, the investor will receive less than the amount that it would have otherwise received.

### ***Dividend Equivalent Payments***

Section 871(m) of the Internal Revenue Code provides for a 30 per cent. withholding tax (subject to reduction under an applicable treaty) on "dividend equivalent" payments that are paid to foreign investors with respect to certain financial instruments that reference the performance of a United States equity. Under these rules, if a Product that is issued after 1 January 2017 provides for "delta-one" exposure to the performance of shares of a United States corporation, the Issuer is obligated to impose United States withholding tax in respect of the actual dividends that are paid on the shares of the corporation (or corporations) that are referenced by the Products even if the Issuer does not actually transmit such amounts to the holder. This tax will also apply if Securities provides for delta-one exposure to an index or basket that includes shares of a United States corporation, unless as discussed below, the index or basket constitutes a "qualified index". If the index or basket is not a "qualified index", the tax will only apply to the dividends on shares of the United States corporations that are included in the index. A Product will generally be treated as providing for a "delta-one" position if it provides for 100 per cent. participation in all of the appreciation and depreciation in the performance of the shares that are referenced by the Product during the term of the Product. The Issuer will state in the Final Terms for a Product that references the performance of a United States equity if the Issuer has determined that the Security is a "delta-one" Product that is subject to Section 871(m) withholding tax.

If a Product is subject to the Section 871(m) withholding tax described above, each dividend that is paid on a U.S. equity that is referenced by the Product will be subject to a withholding tax at the time that the dividend is paid (or, in certain cases, at the close of the quarter upon which the dividend is paid) even though the Issuer will not make any distributions on the Product until the redemption or maturity of the Product. The Issuer will remit the withholding tax to the Internal Revenue Service. The Issuer will not reduce the amount that is due under the Product by the amount of the Section 871(m) withholding tax. Rather, the Issuer will be deemed to have paid the amount of the Section

871(m) tax to the holder and then paid such amount on your behalf to the Internal Revenue Service. The Issuer expects, however, that as a general matter, any Product that is subject to the Section 871(m) tax will reference a net dividend index or basket in which the dividend amount that is included in the index or basket will be reduced by the amount of withholding tax that would be imposed on a direct foreign holder of the United States stocks that are referenced by the Security (which is the same rate as the Section 871(m) tax). In addition, the withholding tax rate that will be used to determine the Section 871(m) withholding tax as well as the net dividend that is included in the index or basket that is referenced by the Product will not take into account any reduced rate to which a holder may be entitled under an applicable tax treaty. In such a case, the asset, index or basket that is referenced by the Product will only be increased by the "net" dividends that are paid with respect to the equities that are referenced by the Product (i.e., the increase will be net of the withholding tax described in this paragraph). The tax will be imposed at the full withholding tax rate even if the holders are otherwise eligible for a reduction in the rate under an applicable treaty. In addition, the holder may not receive the necessary information reporting to enable the holder to claim a refund for the excess of the withholding tax over the tax that would be imposed under an applicable treaty. Furthermore, the holder may not be able to claim a credit for the payment of the Section 871(m) withholding tax in the holder's resident tax jurisdiction, and therefore a holder should consult a tax advisor in such jurisdiction as to whether the holder will be able to claim such a credit. The withholding tax that the Issuer collects will completely satisfy a holder's Section 871(m) tax liability and therefore no other withholding agent (including any financial intermediaries in the chain of ownership for the Products) will be obligated to impose any additional Section 871(m) tax with respect to the Products.

Section 871(m) withholding tax will generally not apply to a Product that references a qualified index even if it is otherwise a "delta-one" Product. A "qualified index" is an index that is passive, diverse, widely used by numerous market participants, and that satisfies a number of technical requirements that are set forth in Treasury Regulations. Even if an index otherwise constitutes a "qualified index", a Product may not be treated as referencing a "qualified index" with respect to a particular holder if the holder holds a related short position in one or more of the component securities in the index (other than a short position in the entire index, or a "de minimis" short position with a value of less than 5 per cent. of the value of the long positions in the index). Because of this possibility, custodians and other withholding agents may require a holder of a Product that references a "qualified index" to make representations or certifications regarding the nature of any short positions that it holds with respect to the components of the index and it is possible that a custodian or other withholding agent will impose the Section 871(m) withholding tax if it does not receive a satisfactory representation or certification or if it otherwise concludes that the holder may hold a related short position described above.

In addition, a holder may be subject to Section 871(m) even if it holds a Product that is not a "delta-one" Product under the rules described above if (a) the holder's position under the Product would be "delta-one" when combined with other related positions that are held by the holder or (b) if a

principal purpose for the holder's investment in the Product is to avoid the application of Section 871(m), in which case a special Section 871(m) anti-abuse rule could apply to the holder's investment in the Products. In such a case, a United States alien holder may be liable for Section 871(m) tax in respect of its Securities even when no withholding is required in respect of the Products.

Furthermore, Products that are issued on or after 1 January 2021 may be subject to Section 871(m) even if they are not a "delta-one" Product under the rules described above. It is possible that the Internal Revenue Service could assert that a Product that is issued before such date could be deemed to be reissued for tax purposes after 1 January 2019 upon (i) a rebalancing or adjustment of the asset, position, index or basket that is referenced by the Security or (ii) the substitution of a New Issuer in place of the Issuer of a Product. In such a case, a Product that is originally issued before 1 January 2021 and is not "delta-one" (and is thus originally not subject to Section 871(m)) could be subject to Section 871(m) after the deemed reissuance.

In addition, while Products that are issued before 1 January 2019 should generally be grandfathered from FATCA (as described above under "*Foreign Account Tax Compliance Withholding*"), any payments on the Products that are subject to the Section 871(m) withholding tax may also be subject to FATCA withholding if an investor or intermediary does not comply with the applicable FATCA certification and identification requirements.

The application of Section 871(m) to the Products is complex, and there may be uncertainties regarding the application of Section 871(m) to the Products. If the holder is a United States alien holder, he should consult his tax advisor about the application of Section 871(m) to the Products.

It has to be noted that according to a circular IV B 5 – S 1301-USA/07/10005 dated 23 December 2016 of the German Federal Ministry of Finance with respect to dividend equivalent payments pursuant to Section 871(m) of the Internal Revenue Code, US-withholding tax on dividend equivalent payments is not creditable against German income tax of an investor. In the absence of a crediting, a double taxation of the investor might arise.

Further information (if any) may be specified under "Information in relation to Section 871(m) of the Internal Revenue Code" under "Additional Information" in the applicable Final Terms.

### **11. Ireland Taxation**

This has been prepared to contain the minimal level of detail required to be disclosed under the Prospectus Regulation. It does not describe generally how Irish investors in any of the Products would be taxed.

The following comments are of a general nature, relating only to the position persons who are absolute beneficial owners of the Products and is based on Irish law and what is understood to be the current practice of the Irish Revenue Commissioners, in each case at the date of this Base Prospectus,

which may change at any time, possibly with retrospective effect. The following is a general overview only of the Irish withholding taxation treatment at the date hereof in relation to income payments in respect of the Products and certain provisions allowing the Revenue Commissioners to obtain and exchange information. The comments are not exhaustive, and do not deal with other Irish tax aspects of acquiring, holding, disposing of or abandoning the Products.

### ***Interest payments***

Interest will only be subject to a deduction on account of Irish income tax if it has an Irish source in which case it may fall to be paid under deduction of Irish income tax at the basic rate (currently 20 per cent.) subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption which may apply.

The location of the source of a payment is a complex matter. It is necessary to have regard to case law and the practice of the Irish Revenue Commissioners. The most important factors in determining the source of a payment are where the Issuer does business and where its assets are located, since these influence where a creditor would sue for payment. Depending on the circumstances, other relevant factors may include the place of performance of the contract, the method of payment, the proper law of contract, the competent jurisdiction for any legal action and the location of any security for the debt although, other factors may also be relevant.

Where interest has an Irish source, any payment of interest may nonetheless be made without withholding or deduction for or on account of Irish income tax where any of the following conditions are satisfied:

- (i) if the Products are and continue to be "quoted Eurobonds" as defined in section 64 of the Taxes Consolidation Act, 1997. The Products will constitute "quoted Eurobonds" if they carry a right to interest and are and continue to be listed on a recognised stock exchange and are held in a recognised clearing system within the meaning of section 64; or
- (ii) if the relevant interest is paid on Products with a maturity date of less than one year from the date of issue and which are not issued under arrangements the effect of which is to render such Products part of a borrowing with a total term of a year or more.

The references to "interest" above mean "interest" as understood in Irish tax law and in particular any premium element of the redemption amount of any Products redeemable at a premium may constitute a payment of interest subject to the withholding tax provisions discussed above and reporting requirements as outlined below. The statements above do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Products or any related documentation.

Other payments

Payments under the Products which do not amount to interest or annual payments for the purposes of Irish tax will normally not be subject to Irish withholding tax.

#### Information Exchange

The Irish Revenue Commissioners have powers, in certain circumstances, to obtain information. The persons from whom the Revenue Commissioners can obtain information include: a person who receives (or is entitled to receive) a payment derived from Products; a person who makes such a payment (received from, or paid on behalf of another person); a person by or through whom interest is paid or credited; a person who effects or is a party to transactions in respect of Products (which includes an issue of Products) on behalf of others; registrars or administrators in respect of transactions in respect of Products; and each registered or inscribed Holders. The information the Revenue Commissioners can obtain includes: details of the beneficial owner of the Products; details of the person for whom the Products are held, or the person to whom the payment is to be made (and, if more than one, their respective interests) and information and documents relating to transactions in the Products.

In certain circumstances the information which the Revenue Commissioners have obtained using these powers may be exchanged with tax authorities in other jurisdictions.



**VII. SELLING RESTRICTIONS****European Economic Area**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each offeror 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 Products 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 the Products may, with effect from and including the Relevant Implementation Date, be offered to the public in that Relevant Member State:

- (a) if the Final Terms in relation to the Products specify that an offer of those Products may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Products which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable, 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 Lead Manager; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive.

provided that no such offer of Products referred to in (b) to (d) above shall require the Issuer or the Lead Manager 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 Products to the public" in relation to any Products 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 Products to be offered so as to enable an investor to decide to purchase or subscribe the Products, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the Directive 2010/73/EU) and includes any relevant implementing measure in each Relevant Member State.

**United States**

The Products have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act. Neither the United States Securities and Exchange Commission nor any other securities regulator within the United States has approved this base prospectus or has confirmed its correctness. This base prospectus and any final terms are not intended to be used within the United States and may not be delivered within the United States. The Products may not at any time be offered, sold, traded or delivered within the United States, directly or indirectly or to U.S. persons. Until 40 days after the later of the date of issue of the relevant Products and the completion of the distribution of such Products an offer or sale of such Products within the United States may violate the registration requirements of the Securities Act.

**United Kingdom**

Each offeror of the Products has represented and agreed that:

- (a) in relation to any Products 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 Products 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 Products would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the "FSMA") by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Products in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Products in, from or otherwise involving the United Kingdom.

**Guernsey**

Neither this document nor any Products offered pursuant to this document may be offered to members of the public in Guernsey ("public" as defined in the Prospectus Rules, 2008 issued by the Guernsey Financial Services Commission). Circulation of this document, any final terms and any termsheet relating to any Product within Guernsey is restricted to persons or entities that are themselves licensed by the Guern-

sey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Insurance Business (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000.

Neither this document nor any Products offered pursuant to this document have been reviewed by the Guernsey Financial Services Commission and neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council take any responsibility for the financial soundness of the Issuer or for the correctness of any of the statements made or opinions expressed with regard to it.

### Italy

The offering of the Products has not been registered pursuant to Italian securities legislation and, accordingly, each offeror represents and agrees, and each further financial intermediary appointed under the Base Prospectus and each other dealer will be required to represent and agree, that it has not offered or sold, promoted, advertised or delivered and will not offer or sell, promote, advertise or deliver any Products to the public in the Republic of Italy, and that such activities concerning the Products shall be effected towards the public in the Republic of Italy in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations.

The Products will not be offered, sold or delivered nor copies of the Base Prospectus or any other document relating to the Products be distributed or made available in the Republic of Italy except:

- (a) if it is specified within the relevant Final Terms that a non-exempt offer may be made in the Republic of Italy pursuant to this Base Prospectus, provided that such prospectus has been (i) approved in another Relevant Member State and notified to CONSOB, and (ii) completed by final terms (if applicable) expressly contemplating such non-exempt 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 Legislative Decree No. 58 of 24th February, 1998 as amended from time to time ("**Italian Financial Services Act**") and CONSOB Regulation No. 11971 of 14th May, 1999, as amended from time to time ("**CONSOB Regulation No. 11971/1999**");
- (b) to "**Qualified Investors**" (*investitori qualificati*), as defined under Article 100 of the Italian Financial Services Act, as implemented by Article 34-ter, paragraph 1, letter b), of CONSOB Regulation 11971/1999 and by Article 26, paragraph 1(d) of CONSOB Regulation No. 16190 of 29 October 2007, as amended ("**Regulation No. 16190/2007**"); or
- (c) in other circumstances which are expressly exempted from the rules on public offering pursuant to the Italian Financial Services Act and its implementing CONSOB Regulations, including Regulation 11971/1999.

## VII. SELLING RESTRICTIONS

Any such offer, sale or delivery of the Products or distribution of copies of this Base Prospectus or any other document relating to the Products in the Republic of Italy under (a) or (b) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190/2007, as amended, and Legislative Decree No. 385 of 1 September 1993, as amended; and
- (ii) in compliance with any other applicable laws and regulations.

### *Provisions relating to the secondary market in Republic of Italy*

Investors should also note that, in accordance with Article 100-bis of the Italian Financial Services Act:

- (i) if any of the Products have been initially placed pursuant to an exemption to publish a prospectus, the subsequent distribution of such Products on the secondary market in Italy which is not carried out under an exemption pursuant to (b) or (c) above must be made in compliance with the rules on offer of securities to the public provided under the Italian Financial Services Act and CONSOB Regulation No. 11971;
- (ii) if any of the Products which have been initially placed with Qualified Investors in Italy or abroad which are then systematically resold to non-Qualified Investors in the 12 months following the placement, such resale would qualify as an offer of securities to the public if no exemption under (c) above applies. Where this occurs, if a prospectus compliant with the Prospectus Directive has not been published, the purchasers of such Products (who are acting outside of the course of their business or profession) may be entitled to obtain that the resale is declared null and void and the authorised entities ("*soggetti abilitati*" as defined in the Italian Financial Services Act) transferring the Products may be held liable for any damages suffered by the purchasers; and
- (iii) any intermediary subsequently reselling the Products is entitled to rely upon the prospectus published by the issuer or the person responsible for drawing up a prospectus as long as this is valid, duly supplemented in accordance with the Italian Financial Services Act and CONSOB Regulation No. 11971 and provided that the issuer or the person responsible for drawing up a prospectus gives its written consent to its use.

### **The Netherlands**

Each offeror of the Products has represented and agreed that it will not make an offer of Products which are the subject of the offering contemplated by this Base Prospectus, as completed by the Final Terms relating thereto, to the public in the Netherlands in reliance on Article 3(2) of the Prospectus Directive (as defined above under "European Economic Area" above) unless (i) such offer is made with an approved prospectus duly passported in the Netherlands in accordance with the Dutch Financial Supervision Act (*Wet op het financieel toezicht*, the "FSA"), (ii) such offer is made exclusively to persons or entities which are qualified investors (*gekwalificeerde beleggers*) as defined in the FSA or (iii) a key information

## VII. SELLING RESTRICTIONS

document is prepared under Regulation (EU) No 1286/2014 (if applicable) and standard exemption wording and a logo are disclosed as required by Article 5:20(5) of the Dutch Financial Supervision Act, provided that no such offer of Products shall require the Issuer or the Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Products in definitive bearer form that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever (savings certificates or *spaarbewijzen* as defined in the Dutch Savings Certificates Act or *Wet inzake spaarbewijzen*, the "SCA") may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or a member of Euronext Amsterdam N.V. with due observance of the provisions of the SCA and its implementing regulations (which include registration requirements). No such mediation is required, however, in respect of (i) the initial issue of such Products to the first holders thereof, (ii) the transfer and acceptance by individuals who do not act in the conduct of a profession or business, and (iii) the issue and trading of such Products if they are physically issued outside the Netherlands and are not distributed in the Netherlands in the course of primary trading or immediately thereafter.

### **Czech Republic**

For selling restrictions in respect of the Czech Republic, please see under "European Economic Area" above, with the following exceptions:

"Qualified investors" for the purpose of 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 which 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 securities 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.

### **Hong Kong**

This document has not been reviewed by the Securities and Futures Commission of Hong Kong, nor has a copy of it been registered by the Registrar of Companies in Hong Kong.

Each offeror of the Products has represented and agreed that

- a) it has not offered or sold and will not offer and sell such Products in Hong Kong (excluding products defined as "structured products" in the *Securities and Futures Ordinance (Cap. 571)* of Hong Kong), by means of any document, to any person other than to "professional investors" within the meaning of the Securities and Futures Ordinance and any rules made under that Ordinance, or in other circum-

## VII. SELLING RESTRICTIONS

stances which do not result in the document being a "prospectus" within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

- b) 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 Products issued under this Base Prospectus 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 Products issued under this Base Prospectus which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance and any rules made thereunder.

### **Singapore**

This document has not been registered and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Products issued under this Base Prospectus may not be circulated or distributed, nor may Products issued under this Base Prospectus be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined under Section 4A of the Securities and Futures Act (Cap. 289) of Singapore ("SFA")) under Section 274 of the SFA, (ii) to a relevant person (as defined under section 275(2) of the SFA) pursuant to Section 275(1) (which term includes an accredited investor (as defined in Section 4A of the SFA)("accredited investor")), or any person pursuant to an offer that is made on terms that such shares are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or assets, 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 Products issued under this Base Prospectus 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) 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 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 corpora-

## VII. SELLING RESTRICTIONS

tion or that trust has acquired the Products issued under this Base Prospectus under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person (as defined in Section 275(2) of the SFA), or to any person where the transfer arises from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA; or
- (2) where no consideration is or will be given for the transfer; or
- (3) where the transfer is by operation of law; or
- (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.

### **Ireland**

Each offeror of the Products has represented and agreed that it has not offered, sold, placed or underwritten and will not offer, sell, place or underwrite or do anything in Ireland in respect of the Products other than in conformity with the provisions of:

- (a) the Irish European Union (Markets in Financial Instruments) Regulations 2017 (as amended) (MiFID II Regulations), including, without limitation, Regulation 5 (Requirement for authorisation (and certain provisions concerning MTFs and OTFs)) thereof, or any rules or codes of conduct made under the MiFID II Regulations and the provisions of the Investor Compensation Act 1998 (as amended);
- (b) the Irish Central Bank Acts 1942 – 2017 (as amended) and any codes of practice made under Section 117(1) of the Central Bank Act 1989 (as amended);
- (c) the Irish Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any rules and guidance issued under Section 1363 of Companies Act 2014 of Ireland (as amended) (the Companies Act 2014), by the Central Bank of Ireland (the CBI);
- (d) the Market Abuse Regulation (EU 596/2014) (as amended), the European Union (Market Abuse) Regulations 2016 (as amended) and any rules and guidance issued under Section 1370 of the Companies Act 2014 by the CBI;
- (e) the Companies Act 2014; and
- (f) in relation to any Products with a maturity of less than one year, the terms of the CBI's implementation notice for credit institutions BSD C 01/02 of 12 November 2002 (as may be amended, replaced or up-dated from time to time) issued pursuant to Section 8(2) of the Irish Central Bank Act 1971 (as amended).

## VII. SELLING RESTRICTIONS



**VIII. FORM OF FINAL TERMS**

*[insert in the case of an increase of issue: [Specification of the Products: ●] (the "[First][●] Increase") in relation to the Base Prospectus dated 18 June 2019, that shall be consolidated with the outstanding [specification of the Products: ●] ([insert identification number(s): ●]) issued on [Date of the Original Issue: ●][if applicable further issue: ●] under the Base Prospectus of Leonteq Securities AG dated [29 June 2016][29 June 2017][27 June 2018][18 June 2019] [●] (the "First Base Prospectus") are consolidated and shall form a single issue therewith.]*

*[In the case of Products for which a continued public offer is intended following the expiry of the validity of the Base Prospectus dated 18 June 2019 insert: The validity of the Base Prospectus dated 18 June 2019 (the "Initial Base Prospectus") under which the public offer for the Products described in these Final Terms is continued, expires on [insert date on which the validity of the Base Prospectus dated 18 June 2019 expires: ●] (the "Initial Base Prospectus Expiry Date"). In respect of Products whose Maturity Date is later than the Initial Base Prospectus Expiry Date, the public offer of such Products will be continued on the basis of one or more succeeding base prospectuses after the Initial Base Prospectus Expiry Date (each a "Succeeding Base Prospectus"), to the extent the Succeeding Base Prospectus envisages a continuation of the public offer of the Products. In this context, these Final Terms are, in each case, to be read in conjunction with the most recent Succeeding Base Prospectus. The respective Succeeding Base Prospectus will be approved and published prior to the expiry of the validity of the respective preceding base prospectus. The respective Succeeding Base Prospectus will be published electronically on the website www.leonteq.com (under "Our Services" – "Investment Solutions" – "Structured Products" – "Service" -- "Prospectuses" – Leonteq Program EU).]*

**Final Terms dated [●]**

*[in the case of a replacement of the Final Terms: (replacing the Final Terms dated ●)]*

**to the Base Prospectus dated 18 June 2019**

**Leonteq Securities AG, Zurich, Switzerland**

**[acting through its Guernsey Branch: Leonteq Securities AG, Guernsey Branch]**

**[acting through its Amsterdam Branch: Leonteq Securities AG, Amsterdam Branch]**

**(the "Issuer")**

[Bonus Certificates with Cash Settlement] [Bonus Certificates with potential Physical Settlement]  
 [Capped Bonus Certificates with Cash Settlement and with par value] [Capped Bonus Certificates with  
 Cash Settlement and without par value] [Capped Bonus Certificates with potential Physical Settlement]  
 [Notes (Reverse Convertibles) with Cash Settlement] [Notes (Reverse Convertibles) with potential Physi-

cal Settlement] [Notes (Barrier Reverse Convertibles) with Cash Settlement] [Notes (Barrier Reverse Convertibles) with potential Physical Settlement] [Discount Certificates with Cash Settlement] [Discount Certificates with potential Physical Settlement] [Express Certificates with Cash Settlement and without par value] [Express Certificates with Cash Settlement and with par value] [Express Notes with Cash Settlement and with par value] [Tracker Certificates with Cash Settlement] [Open End Tracker Certificates with Cash Settlement] [Express Certificates with potential Physical Settlement and with par value] [Express Certificates with potential Physical Settlement and without par value] [Inverse Discount Certificates with Cash Settlement] [Master Discount Certificates with Cash Settlement] [Express Certificates with Cash Settlement and with par value and unconditional minimum redemption] [Express Certificates with Cash Settlement and with par value and with Downside Participation Factor] [Certificates with Cash Settlement and with par value and with unconditional minimum redemption and Partial Redemption Amounts] [Certificates with Cash Settlement and with par value and with unconditional minimum redemption] [Capped Certificates with Cash Settlement and with unconditional minimum redemption] [Inverse Bonus Certificates with Cash Settlement] [Capped Inverse Bonus Certificates with Cash Settlement] [Mini Future Certificates with Cash Settlement] [Inverse Express Certificates with Cash Settlement] [Warrants with Cash Settlement] [Participation Certificates] [Spread Certificates] [Short Participation Certificates with Cash Settlement and with unconditional minimum redemption] [Knock-Out Warrants with Cash Settlement] [Dual Currency Notes] [Stability Notes] [*insert additional marketing name of the Product: •*]

linked to

**[Underlying(s) or basket of Underlyings: •]**  
(the "Products")

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**Leonteq Securities AG, Zurich, Switzerland**  
(the "Lead Manager")

*These Final Terms relate to the Base Prospectus dated 18 June 2019 [as supplemented by the Supplement[s] dated • and][as] [further] supplemented from time to time]*

### **Specification of the Products**

The subject of the Final Terms are [Bonus Certificates with Cash Settlement (Product No. 1)] [Bonus Certificates with potential Physical Settlement (Product No. 2)] [Capped Bonus Certificates with Cash Settlement and with par value (Product No. 3)] [Capped Bonus Certificates with Cash Settlement and without par value (Product No. 4)] [Capped Bonus Certificates with potential Physical Settlement (Product No. 5)] [Notes (Reverse Convertibles) with Cash Settlement (Product No. 6)] [Notes (Reverse Convertibles) with potential Physical Settlement (Product No. 7)] [Notes (Barrier Reverse Convertibles) with Cash Settlement (Product No. 8)] [Notes (Barrier Reverse Convertibles) with potential Physical Settlement (Product No. 9)] [Discount Certificates with Cash Settlement (Product No. 10)] [Discount Certificates with potential Physical Settlement (Product No. 11)] [Express Certificates with Cash Settlement and without par value (Product No. 12)] [Express Certificates with Cash Settlement and with par value (Product No. 13)] [Express Notes with Cash Settlement and with par value (Product No. 13)] [Tracker Certificates with Cash Settlement (Product No. 14)] [Open End Tracker Certificates with Cash Settlement (Product No. 15)] [Express Certificates with potential Physical Settlement and with par value (Product No. 16)] [Express Certificates with potential Physical Settlement and without par value (Product No. 17)] [Inverse Discount Certificates with Cash Settlement (Product No. 18)] [Master Discount Certificates with Cash Settlement (Product No. 19)] [Express Certificates with Cash Settlement and with par value and/or issue price and unconditional minimum redemption (Product No. 20)] [Express Certificates with Cash Settlement and with par value and with Downside Participation Factor (Product No. 21)] [Certificates with Cash Settlement and with par value and with unconditional minimum redemption and Partial Redemption Amounts (Product No. 22)] [Certificates with Cash Settlement and with par value and with unconditional minimum redemption (Product No. 23)] [Capped Certificates with Cash Settlement and with unconditional minimum redemption (Product No. 24)] [Inverse Bonus Certificates with Cash Settlement (Product No. 25)] [Capped Inverse Bonus Certificates with Cash Settlement (Product No. 26)] [Mini Future Certificates with Cash Settlement (Product No. 27)] [Inverse Express Certificates with Cash Settlement (Product No. 28)] [Warrants with Cash Settlement (Product No. 29)] [Participation Certificates (Product No. 30)] [Spread Certificates with Cash Settlement (Product No. 31)] [Short Participation Certificates with Cash Settlement and with unconditional minimum redemption (Product No. 32)] [Knock-Out Warrants with Cash Settlement (Product No. 33)] [Dual Currency Notes (Product No. 34)] [Stability Notes (Product No. 35)]. [For the current Products COSI is applicable.] [For the current Products TCM is applicable.] [For the current Products neither COSI nor TCM is applicable.]

### **Presentation of the Final Terms**

**The Final Terms were prepared for the purpose of Article 5 (4) of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (as amended, including Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010) (the "Prospectus Directive") and must be read in conjunction with the Base Prospectus dated 18 June 2019 ([as supplemented by the supplement[s] dated [•]] and] as further supplemented from time to time) (the "Base Prospectus") including the documents incorporated by reference. During the entire term of**

**the Product, the Final Terms and the Base Prospectus and any supplements thereto will be made available free of charge at Leonteq Securities AG, Europaallee 39, 8004 Zurich, Switzerland (Phone: +41 (0)58 800 1000, Facsimile: +41 (0)58 800 1010). Furthermore, the documents will be published in electronic form on the website [www.leonteq.com](http://www.leonteq.com) (under "Our Services" – "Investment Solutions" – "Structured Products" – on the relevant product site – retrievable by the relevant securities identification number for the Product in the search field ) and the Base Prospectus and any supplements in electronic form on the website [www.leonteq.com](http://www.leonteq.com) (under "Our Services" – "Investment Solutions" – "Structured Products" – "Service" – "Prospectuses" – Leonteq Program EU) [*insert additional form of publication: •*]. Full information on the Issuer and the offer of the Products is only available on the basis of a combination of these Final Terms and the Base Prospectus, including the documents incorporated by reference.**

The Final Terms to the Base Prospectus are represented in the form of a separate document within the meaning of Article 26 (5) of Commission Regulation (EC) No. 809/2004 of 29 April 2004 as amended (the "**Prospectus Regulation**").

An issue specific summary that has been completed for the Products is attached to these Final Terms.

**PART I****INFORMATION ABOUT THE TERMS AND CONDITIONS – ISSUE SPECIFIC CONDITIONS**

*[insert in the case of "Consolidated Conditions": In respect of the Series of Products (i) the Issue Specific Conditions as replicated in these Final Terms and (ii) the General Conditions for Products governed by [German][Swiss] law as laid out in the Base Prospectus together shall constitute the Terms and Conditions applicable to the Series of Products (the "Conditions"). The Issue Specific Conditions as replicated in these Final Terms are to be read in conjunction with the General Conditions.*

*[insert applicable Product Specific Conditions (Part A.) and Underlying Specific Conditions (Part B.)]*

*[in case of an increase of Products issued under the Base Prospectus of Leonteq Securities AG dated 29 June 2016 or the Base Prospectus of Leonteq Securities AG dated 29 June 2017 or the Base Prospectus of Leonteq Securities AG dated 27 June 2018 insert: The following Issue Specific Conditions, consisting of Part A. Product Specific Conditions and Part B. Underlying Specific Conditions are taken from the First Base Prospectus and are identical to the Issue Specific Conditions contained in the first Final Terms of the Issue Date.]*

*[insert in the case of "Reference Conditions":*

This Part I. of the Final Terms is to be read in conjunction with the Product Specific Conditions applicable to [Bonus Certificates with Cash Settlement (Product No. 1)] [Bonus Certificates with potential Physical Settlement (Product No. 2)] [Capped Bonus Certificates with Cash Settlement and with par value (Product No. 3)] [Capped Bonus Certificates with Cash Settlement and without par value (Product No. 4)] [Capped Bonus Certificates with potential Physical Settlement (Product No. 5)] [Notes (Reverse Convertibles) with Cash Settlement (Product No. 6)] [Notes (Reverse Convertibles) with potential Physical Settlement (Product No. 7)] [Notes (Barrier Reverse Convertibles) with Cash Settlement (Product No. 8)] [Notes (Barrier Reverse Convertibles) with potential Physical Settlement (Product No. 9)] [Discount Certificates with Cash Settlement (Product No. 10)] [Discount Certificates with potential Physical Settlement (Product No. 11)] [Express Certificates with Cash Settlement and without par value (Product No. 12)] [Express Certificates with Cash Settlement and with par value (Product No. 13)] [Express Notes with Cash Settlement and with par value (Product No. 13)] [Tracker Certificates with Cash Settlement (Product No. 14)] [Open End Tracker Certificates with Cash Settlement (Product No. 15)] [Express Certificates with potential Physical Settlement and with par value (Product No. 16)] [Express Certificates with potential Physical Settlement and without par value (Product No. 17)] [Inverse Discount Certificates with Cash Settlement (Product No. 18)] [Master Discount Certificates with Cash Settlement (Product No. 19)] [Express Certificates with Cash Settlement and with par value and/or issue price and unconditional minimum redemption (Product No. 20)] [Express Certificates with Cash Settlement and with par value and with Downside Participation Factor (Product No. 21)] [Certificates with Cash Settlement and with par value and with unconditional minimum redemption and Partial Redemption Amounts (Product No. 22)] [Certificates with Cash Settlement and with par value and with unconditional minimum redemption (Product

No. 23)] [Capped Certificates with Cash Settlement and with unconditional minimum redemption (Product No. 24)] [Inverse Bonus Certificates with Cash Settlement (Product No. 25)] [Capped Inverse Bonus Certificates with Cash Settlement (Product No. 26)] [Mini Future Certificates with Cash Settlement (Product No. 27)] [Inverse Express Certificates with Cash Settlement (Product No. 28)] [Warrants with Cash Settlement (Product No. 29)] [Participation Certificates (Product No. 30)] [Spread Certificates with Cash Settlement (Product No. 31)] [Short Participation Certificates with Cash Settlement and with unconditional minimum redemption (Product No. 32)] [Knock-Out Warrants with Cash Settlement (Product No. 33)] [Dual Currency Notes (Product No. 34)] [Stability Notes (Product No. 35)] and the set of Part B. Underlying Specific Conditions applicable to [Shares][Participation Certificates (*Genussscheine*)] [Indices][Securities representing shares][Currency Exchange Rates][Commodities][Futures Contracts] [Shares in a[n exchange traded] Fund] [Fixed Rate Instruments and/or Derivative Instruments] [Interest Rates] [Reference Rates] set forth in the Base Prospectus.

All references in this part of the Final Terms to numbered paragraphs and subparagraphs are to paragraphs and subparagraphs of the Issue Specific Conditions.

All provisions in the Issue Specific Conditions corresponding to items in these Final Terms which are either not specified or completed or which are marked with "Not applicable" shall be deemed to be deleted from the terms and conditions applicable to the Products.

Furthermore, the General Conditions for Products governed by [German][Swiss] law as laid out in the Base Prospectus will apply.

### **Part A – Product Specific Conditions**

*[in the case of Bonus Certificates with Cash Settlement (Product No. 1) insert:*

#### **§ 1**

#### **Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Number of Products (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities	[Applicable][Not applicable]

ties (paragraph 2)

[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: •]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: •]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)



*[in the case of Bonus Certificates with potential Physical Settlement (Product No. 2) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Number of Products (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[•][See Table 1 in the Annex]
Clearing System	[•][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3  
Definitions**

*[insert applicable Definitions: •]*

**§ 4  
Redemption**

*[insert applicable Redemption provision: •]*

**[§ 10  
Collateral Secured Instruments (COSI)]**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

*[in the case of Capped Bonus Certificates with Cash Settlement and with par value (Product No. 3) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Total Nominal Amount (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

Lot]	
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

*[in the case of Capped Bonus Certificates with Cash Settlement and without par value (Product No. 4) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Number of Products (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading	[●][See Table 1 in the Annex]

Lot]	
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

*[in the case of Capped Bonus Certificates with potential Physical Settlement (Product No. 5) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Number of Products (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)



[in the case of Notes (Reverse Convertibles) with Cash Settlement (Product No. 6) insert:

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Total Nominal Amount (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

*[in the case of Notes (Reverse Convertibles) with potential Physical Settlement (Product No. 7) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Total Nominal Amount (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading	[●][See Table 1 in the Annex]

Lot]	
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption, Physical Delivery**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

*[in the case of Notes (Barrier Reverse Convertibles) with Cash Settlement (Product No. 8) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Total Nominal Amount (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

Lot]	
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[•][See Table 1 in the Annex]
Clearing System	[•][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: •]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: •]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

[in the case of Notes (Barrier Reverse Convertibles) with potential Physical Settlement (Product No. 9) insert:

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Total Nominal Amount (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

Lot]	
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption, Physical Delivery**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)



[in the case of Discount Certificates with Cash Settlement (Product No. 10) insert:

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Number of Products (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3  
Definitions**

*[insert applicable Definitions: ●]*

**§ 4  
Redemption, Physical Delivery**

*[insert applicable Redemption provision: ●]*

**[§ 10  
Collateral Secured Instruments (COSI)]**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

*[in the case of Discount Certificates with potential Physical Settlement (Product No. 11) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Number of Products (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3  
Definitions**

*[insert applicable Definitions: ●]*

**§ 4  
Redemption, Physical Delivery**

*[insert applicable Redemption provision: ●]*

**[§ 10  
Collateral Secured Instruments (COSI)]**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

*[in the case of Express Certificates with Cash Settlement and without par value (Product No. 12) insert:*

**§ 1  
Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1) Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]

VIII. FORM OF FINAL TERMS

Number of Products (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]

COSI (paragraph 3) [Applicable][Not applicable]

TCM (paragraph 3) [Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: •]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: •]*

**§ 5**  
**Interest, Coupon Payments**

*[insert applicable Interest provision: •]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]]  
(paragraph 3)

*[in the case of Express Certificates and/or Express Notes with Cash Settlement and with par value (Product No. 13) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Total Nominal Amount (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

Lot]	
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3  
Definitions**

*[insert applicable Definitions: ●]*

**§ 4  
Redemption**

*[insert applicable Redemption provision: ●]*

**§ 5  
Interest, Coupon Payments**

*[insert applicable Interest provision: ●]*

**[§ 10  
Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)



[in the case of Tracker Certificates with Cash Settlement (Product No. 14) insert:

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Number of Products (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3  
Definitions**

*[insert applicable Definitions: ●]*

**§ 4  
Redemption**

*[insert applicable Redemption provision: ●]*

**§ 6  
Exercise by the Holder**

Exercise by the Holder [Applicable][Not applicable]

**§ 9  
Ordinary Termination by the Issuer**

Ordinary Termination by the Issuer [Applicable][Not applicable]

**[§ 10]**

**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

*[in the case of Open End Tracker Certificates with Cash Settlement (Product No. 15) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Number of Products (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[•][See Table 1 in the Annex]
Clearing System	[•][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3  
Definitions**

*[insert applicable Definitions: •]*

**§ 4  
Redemption**

*[insert applicable Redemption provision: •]*

**[§ 10  
Collateral Secured Instruments (COSI)]**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

*[in the case of Express Certificates with potential Physical Settlement and par value (Product No. 16) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Total Nominal Amount (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

Lot]	
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]

**§ 3  
Definitions**

*[insert applicable Definitions: ●]*

**§ 4  
Redemption, Physical Delivery**

*[insert applicable Redemption provision: ●]*

**§ 5  
Interest, Coupon Payments**

*[insert applicable Interest provision: ●]*

**[§ 10  
Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

*[in the case of Express Certificates with potential Physical Settlement and without par value (Product No. 17) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Number of Products (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading	[●][See Table 1 in the Annex]



Lot]	
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[•][See Table 1 in the Annex]
Clearing System	[•][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: •]*

**§ 4**  
**Redemption, Physical Delivery**

*[insert applicable Redemption provision: •]*

**§ 5**  
**Interest, Coupon Payments**

*[insert applicable Interest provision: •]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]]  
(paragraph 3)

*[in the case of Inverse Discount Certificates with Cash Settlement (Product No. 18) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Number of Products (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

[in the case of Master Discount Certificates with Cash Settlement (Product No. 19) insert:

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Number of Products (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

*[in the case of Express Certificates with Cash Settlement and with par value and/or issue price and unconditional minimum redemption (Product No. 20) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Total Nominal Amount (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

Lot]	
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[•][See Table 1 in the Annex]
Clearing System	[•][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3  
Definitions**

*[insert applicable Definitions: •]*

**§ 4  
Redemption**

*[insert applicable Redemption provision: •]*

**§ 5  
Interest, Coupon Payments**

*[insert applicable Interest provision: •]*

**[§ 10  
Collateral Secured Instruments (COSI)**

Value Determination Method (paragraph 3) [Method A: Fair Value Method] [in relation to *[insert ISIN(s): •]* [and]] [Method B: Bond Floor Method] [in relation to *[insert ISIN(s): •]*]]

*[in the case of Express Certificates with Cash Settlement and with par value and with Downside Participation Factor (Product No. 21) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Total Nominal Amount (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading	[●][See Table 1 in the Annex]



Lot]	
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: ●]*

**§ 5**  
**Interest, Coupon Payments**

*[insert applicable Interest provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

*[in the case of Certificates with Cash Settlement and with par value and with unconditional minimum redemption and Partial Redemption Amounts (Product No. 22) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Total Nominal Amount (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading	[●][See Table 1 in the Annex]

Lot]	
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[•][See Table 1 in the Annex]
Clearing System	[•][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3  
Definitions**

*[insert applicable Definitions: •]*

**§ 4  
Redemption**

*[insert applicable Redemption provision: •]*

**§ 5  
Interest, Coupon Payments**

*[insert applicable Interest provision: •]*

**[§ 10  
Collateral Secured Instruments (COSI)**

Value Determination Method (paragraph 3) [Method A: Fair Value Method] [in relation to *[insert ISIN(s): •]* [and]] [Method B: Bond Floor Method] [in relation to *[insert ISIN(s): •]*]]

*[in the case of Certificates with Cash Settlement and with par value and with unconditional minimum redemption (Product No. 23) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Total Nominal Amount (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading	[●][See Table 1 in the Annex]

Lot]	
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[•][See Table 1 in the Annex]
Clearing System	[•][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3  
Definitions**

*[insert applicable Definitions: •]*

**§ 4  
Redemption**

*[insert applicable Redemption provision: •]*

**[§ 10  
Collateral Secured Instruments (COSI)**

Value Determination Method (paragraph 3) [Method A: Fair Value Method] [in relation to *[insert ISIN(s): •]* [and]] [Method B: Bond Floor Method] [in relation to *[insert ISIN(s): •]]]*

*[in the case of Capped Certificates with Cash Settlement and with unconditional minimum redemption (Product No. 24) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Total Nominal Amount (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading	[●][See Table 1 in the Annex]

Lot]	
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

[in the case of Inverse Bonus Certificates with Cash Settlement (Product No. 25) insert:

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]



[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

[in the case of Capped Inverse Bonus Certificates with Cash Settlement (Product No. 26) insert:

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]

[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

[in the case of Mini Future Certificates with Cash Settlement (Product No. 27) insert:

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]

[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

[in the case of Inverse Express Certificates with Cash Settlement (Product No. 28) insert:

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]

[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

[in the case of Warrants with Cash Settlement (Product No. 29) insert:

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]



[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

[in the case of Participation Certificates (Product No. 30) insert:

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]

[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

*[in the case of Spread Certificates with Cash Settlement (Product No. 31) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]

[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

*[in the case of Short Participation Certificates with Cash Settlement and with unconditional minimum redemption (Product No. 32) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Total Nominal Amount (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

Lot]	
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

[in the case of Knock-Out Warrants (Product No. 33) insert:

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[German SIX SIS Bearer Securities]	[Applicable][Not applicable]



[Custody Agent]	[●][See Table 1 in the Annex]
Clearing System	[●][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3**  
**Definitions**

*[insert applicable Definitions: ●]*

**§ 4**  
**Redemption**

*[insert applicable Redemption provision: ●]*

**[§ 10**  
**Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

*[in the case of Dual Currency Notes (Product No. 34) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Total Nominal Amount (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[•][See Table 1 in the Annex]
Clearing System	[•][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3  
Definitions**

*[insert applicable Definitions: •]*

**§ 4  
Redemption**

*[insert applicable Redemption provision: •]*

**[§ 10  
Collateral Secured Instruments (COSI)**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

*[in the case of Stability Notes (Product No. 35) insert:*

**§ 1**

**Form and Issue Size; Definitions; Term of the Products**

Issuer (paragraph 1)	Leonteq Securities AG[, acting through its Guernsey Branch] [, acting through its Amsterdam Branch]
Total Nominal Amount (paragraph 1)	[●][See Table 1 in the Annex]
Settlement Currency (paragraph 1)	[●][See Table 1 in the Annex]
Swiss Uncertificated Securities (paragraph 2)	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
Swiss Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[Swiss CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]
[Swiss SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[●][See Table 1 in the Annex]
German Bearer Securities (paragraph 2)	[Applicable][Not applicable]
[German CBF Bearer Securities]	[Applicable][Not applicable]
[Minimum Trading Lot]	[●][See Table 1 in the Annex]

[German SIX SIS Bearer Securities]	[Applicable][Not applicable]
[Custody Agent]	[•][See Table 1 in the Annex]
Clearing System	[•][See Table 1 in the Annex]
COSI (paragraph 3)	[Applicable][Not applicable]
TCM (paragraph 3)	[Applicable][Not applicable]

**§ 3  
Definitions**

*[insert applicable Definitions: •]*

**§ 4  
Redemption**

*[insert applicable Redemption provision: •]*

**§ 5  
Interest, Coupon Payments**

*[insert applicable Interest provision: •]*

**[§ 10  
Collateral Secured Instruments (COSI)]**

Value Determination Method [Method A: Fair Value Method] [Method B: Bond Floor Method]]  
(paragraph 3)

VIII. FORM OF FINAL TERMS

**Part B – Underlying Specific Conditions**

*[in the case of Shares as Underlying or Basket Component insert:*

**§ 11**

**Market Disruption**

Single Underlying and Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Individual Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Common Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

**§ 13**

**Extraordinary Termination**

Additional Termination Event [Increased Cost of Hedging] [Increased Cost of Collateralization] [Change in Law] [Hedging Disruption] [Insolvency Filing] [Failure to Deliver] [Reduced Number of Shares]

Relevant Number of Shares [●][Not applicable]

*[in the case of Participation Certificates (Genussscheine) as Underlying or Basket Component insert:*

**§ 11**

**Market Disruption**

Single Underlying and Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Individual Post-ponement of the Underlying [Applicable][Not applicable]

Valuation Date (paragraph 1)

Basket and Common Post- [Applicable][Not applicable]  
ponement of the Underlying  
Valuation Date (paragraph 1)

**§ 13**

**Extraordinary Termination**

Additional Termination Event [Increased Cost of Hedging] [Increased Cost of Collateralization]  
[Change in Law] [Hedging Disruption] [Insolvency Filing]

*[in case of Indices as Underlying or Basket Component insert:*

**§ 11**

**Market Disruption**

Single Underlying and Post- [Applicable][Not applicable]  
ponement of the Underlying  
Valuation Date (paragraph 1)

Basket and Individual Post- [Applicable][Not applicable]  
ponement of the Underlying  
Valuation Date (paragraph 1)

Basket and Common Post- [Applicable][Not applicable]  
ponement of the Underlying  
Valuation Date (paragraph 1)

**§ 13**

**Extraordinary Termination**

Additional Termination Event [Increased Cost of Hedging] [Increased Cost of Collateralization]  
[Change in Law] [Hedging Disruption]



*[in case of Securities representing shares as Underlying or Basket Component insert:]*

**§ 11**

**Market Disruption**

Single Underlying and Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Individual Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Common Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

**§ 13**

**Extraordinary Termination**

Additional Termination Event [Increased Cost of Hedging] [Increased Cost of Collateralization] [Change in Law] [Hedging Disruption] [Insolvency Filing] [Failure to Deliver] [Reduced Number of Shares]

Relevant Number of Shares [●][Not applicable]

*[in case of Commodities as Underlying or Basket Component insert:]*

**§ 11**

**Market Disruption**

Single Underlying and Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Individual Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Common Post- [Applicable][Not applicable]  
ponement of the Underlying  
Valuation Date (paragraph 1)

**§ 13**

**Extraordinary Termination**

Additional Termination Event [Permanent Market Disruption Event] [Increased Cost of Hedging]  
[Increased Cost of Collateralization] [Change in Law] [Hedging Dis-  
ruption]]

*[in case of Currency Exchange Rates as Underlying or Basket Component insert:*

**§ 11**

**Market Disruption**

Single Underlying and Post- [Applicable][Not applicable]  
ponement of the Underlying  
Valuation Date (paragraph 1)

Basket and Individual Post- [Applicable][Not applicable]  
ponement of the Underlying  
Valuation Date (paragraph 1)

Basket and Common Post- [Applicable][Not applicable]  
ponement of the Underlying  
Valuation Date (paragraph 1)

**§ 13**

**Extraordinary Termination**

Additional Termination Event [Increased Cost of Hedging] [Increased Cost of Collateralization]  
[Change in Law] [Hedging Disruption]]

*[in case of futures contracts as Underlying or Basket Component insert:*

**§ 11**

**Market Disruption**

Single Underlying and Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Individual Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Common Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

**§ 13**

**Extraordinary Termination**

Additional Termination Event [Permanent Market Disruption Event] [Increased Cost of Hedging] [Increased Cost of Collateralization] [Change in Law] [Hedging Disruption]]

*[in case of fixed rate or derivative instruments as Underlying or Basket Component insert:*

**§ 11**

**Market Disruption**

Single Underlying and Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Individual Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Common Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

**§ 13**

**Extraordinary Termination**

Additional Termination Event [Increased Cost of Hedging] [Increased Cost of Collateralization]  
[Change in Law] [Hedging Disruption]]

*[in case of shares in an exchange traded Fund as Underlying or Basket Component insert:*

**§ 11**

**Market Disruption**

Single Underlying and Post- [Applicable][Not applicable]  
ponement of the Underlying  
Valuation Date (paragraph 1)

Basket and Individual Post- [Applicable][Not applicable]  
ponement of the Underlying  
Valuation Date (paragraph 1)

Basket and Common Post- [Applicable][Not applicable]  
ponement of the Underlying  
Valuation Date (paragraph 1)

**§ 13**

**Extraordinary Termination**

Additional Termination Event [Increased Cost of Hedging] [Increased Cost of Collateralization]  
[Change in Law] [Hedging Disruption]]

*[in case of an unlisted Fund Unit as Underlying or Basket Component insert:*

**§ 11**

**Market Disruption**

Single Underlying and Post- [Applicable][Not applicable]  
ponement of the Underlying

Valuation Date (paragraph 1)

Basket and Individual Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

Basket and Common Post-ponement of the Underlying Valuation Date (paragraph 1) [Applicable][Not applicable]

**§ 13**

**Extraordinary Termination**

Additional Termination Event [Increased Cost of Hedging] [Increased Cost of Collateralization] [Change in Law] [Hedging Disruption]

*[in case of an Interest Rate and/or Reference Rate as Underlying or Basket Component insert:*

**§ 13**

**Extraordinary Termination**

Additional Termination Event [Increased Cost of Hedging] [Increased Cost of Collateralization] [Change in Law] [Hedging Disruption]

## ANNEX TO THE ISSUE SPECIFIC CONDITIONS

Table 1

[WKN / ISIN / Valor] / SIX Sym- bol] <i>[insert different identifica- tion code, if applicable: •]</i>	Underlying	[Denomination (expressed in the Settlement Curren- cy)][Conversion Ratio] / Total Nominal Amount* (expressed in the Settle- ment Currency)] / [Num- ber of Products*] / [/ Minimum Trading Lot [(expressed in the Settle- ment Currency)] / Settlement Currency [Website]	[Initial Fixing Date] [/] [Initial Fixing Observation Dates] [/] [Initial Fixing Period] [/] [Initial Basket Value] [/] [Final Fixing Date] [/] [Valuation Date (t)] [/] [Redemption Date] [/] [Start of the Exer- cise Period] [/] [Exer- cise Period] [/] [Exer- cise Date] [/] [Busi- ness Centre] [/] [Min- imum Exercise Num- ber][Issue Date] [Issue Surcharge]	[Barrier Level] [/] [/] [Issue Price (expressed in the Settlement Currency)] [/] [Reference Amount] [/] [Manage- ment Fee] [/] [Participa- tion Factor] [/] [Stop- Loss Obser- vation Peri- od] [/] [Stop- Loss Lev- el][Adjustme- nt Factor] [Lock-In Coupon Amount] [Lock-In Level] [Lock- In Observa- tion Dates] [Leverage]	[Initial Fixing Level (expressed in the Reference Currency)] [/] [Barrier Level] [/] [Lower Barrier Level] [/] [Upper Barrier Level] [/] [Cap Level] [/] [Bonus Level] [/] [Strike Level] [/] [Knock-Out Level] [/] [Gap Level] [Inverse Level] [/] [Minimum Re- demption Factor] [/] [Partial Redemp- tion Factor] [/] Participation Fac- tor] [Participation factor 1] [/] [Partic- ipation Factor 2] [/] [Participation Factor 3] [/] [Downside Partici- pation Factor] [/] [Maximum Re- demption Factor] [/] [Maximum Re- demption Amount] [/] [Minimum Early Redemption Amount][(expressed as percentage of the Initial Fixing Lev- el)]	[Observa- tion Period] [Barrier Observation Period]  [Knock-Out Period] [Gap Ob- servation Period] [Underlying Valuation Date]	[Coupon Trig- ger Level] [/] [Coupon] [/] [Coupon Rate] [/] [Coupon Payment Date[s]**] [/] [/] [Coupon Amount] [Re- bate Coupon Amount] [Par- tial Coupon Rate 1] [Par- tial Coupon Rate 2] [Trig- ger Level for Partial Cou- pon Rate 1] [Trigger Level for Partial Coupon Rate 2] [(expressed as percentage of the Initial Fixing Level)] [Coupon Ob- servation Date] [Reference Rate] [Rebate Coupon Rate] [Rebate]	[Custody Agent] [/] [Clearing System] [/] [Calculation Agent[s] (includ- ing specified office)] [/] [Pay- ing Agent[s] (including speci- fied office(s))] [/] [Fiscal Agent] [/] [Coupon] [Account]	<i>[insert differ- ent or supple- menting defi- nitions, if applicable: •]</i>
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VIII. FORM OF FINAL TERMS

<p>[●]</p>	<p>[[Share] [Participation Certificate (<i>Genussschein</i>)] [Security representing Shares] [Index] [Currency Exchange Rate] [Commodity] [Futures Contract] [Fixed Rate Instrument] [Derivative Instrument] [Fund Unit] [Interest Rate] [Reference Rate][, as specified in <b>Table 2</b>] [Basket consisting of Basket Components as specified in <b>Table 2</b>]</p>	<p>[●]</p>	<p>[●]</p>	<p>[●] <i>[insert for TCM Secured Products: The issue price includes the costs of collateralising the TCM Secured Products. These costs amount to [●] [between ● and ●] at the time the products are issued.]</i></p>	<p>[●]</p>	<p>[●]</p>	<p>[●]</p>	<p>[SIX SIS AG, Pfingstweidstrasse 110, 8021 Zurich, Switzerland, facsimile: +41 44 288 45 12 ("SIX SIS")] [●] [/] [SIX SIS AG, Pfingstweidstrasse 110, 8021 Zurich, Switzerland, facsimile: +41 44 288 45 12 ("SIX SIS")] [Clearstream Banking AG, Frankfurt am Main, Merzenthalerallee 61, 65760 Eschborn, Germany ("Clearstream, Frankfurt")] [●] [/] [Euroclear Bank SA, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium ("Euroclear")] [●] [/] [Leonteq Securities AG, Europaallee 39, 8004 Zurich, Switzerland, Facsimile: +41 (0)58 800 1010] [including, where required, through</p>	<p>[●]</p>
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								[its][their] bridge account with Monte Titoli S.p.A., Piazza degli Affari 6, 20123 Milan, Italy] [●] [/] [Leonteq Securi- ties AG, Eu- ropaallee 39, 8004 Zurich, Switzerland, Facsimile: +41 (0)58 800 1010] [●] [/] [●]	
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\* [[The actual Total Nominal Amount or the] [The] actual Number of Products depends on the number of subscriptions received by the Lead Manager and is – subject to an increase or a (partial) repurchase of the Products – limited to the Number of Products specified in **Table 1.**] [[The actual Total Nominal Amount or the] [The] actual Number of Products depends on the number of orders received by the Lead Manager and is – subject to an increase or a (partial) repurchase of the Products – limited to the Number of Products specified in **Table 1.**]

[\*\* Value(s) identified with "\*\*\*" will be determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent [in its reasonable discretion] [on the basis of the market conditions on this date] and will be published after determination pursuant to § 4 of the General Conditions. [*insert information about relevant ranges/limits for value(s) identified with "\*\*\*, if applicable: ●*]]

[\*\*\*[The Holder is only entitled to receive the respective coupon payment on the Coupon Payment Date, if he has purchased/not sold the Product at the latest on the Business Day preceding the respective Coupon Ex-Date for the then prevailing price. The "Coupon Ex-Date" means, with respect to any Product paying a coupon, the first [Business Day][Scheduled Trading Day] such Product is quoted without the entitlement to the coupon amount on the next following Coupon Payment Date. Local market conventions in respect of the Coupon Ex-Date may apply.] [The Holder is only entitled to receive the Coupon Amount on the relevant Coupon Payment Date, if he holds the Product on the relevant Record Date. The "Record Date" means [1 Banking Day before the relevant Coupon Payment Date][●]. [Banking Day: [means any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the principal financial center for the relevant Settlement Currency. In respect of any Product in which the Settlement Currency is the euro, any day on which the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET) system is open shall be a Banking Day.] [●].]]





Table 2

<p>[Underlying] [(Share) [and/or] Participation Certificate (<i>Genussschein</i>)] [and/or] Security representing Shares] [and/or] Index] [and/or] Currency Exchange Rate] [and/or] Commodity] [and/or] Futures Contract] [and/or] Fixed Rate Instrument] [and/or] Derivative Instrument] [Fund Unit] [and/or] Interest Rate] [and/or] Reference Rate] [and/or] Basket Components] )]</p>	<p>[ISIN of the Underlying] [Basket Component]] [Reuters Code of the Underlying] [Basket Component]] [insert other identifier, if applicable: •]</p>	<p>[Exchange] [/] [Reference Market] [/] [Reference Agent] [/] [Price Source] [/] [Management Company] [/] [Fund][Reference Banks] [Relevant Financial Centre] [Quotation Rounding][Fund Manager]</p>	<p>[Barrier Level] [/] [Index Sponsor] [/] [Domicile / Share type [in case of physical settlement insert: / Transferability / Tradeability]] [/] [Contract months / Final Fixing] [/] [Stop-Loss Level]</p>	<p>[Target One Level]</p>	<p>[Bloomberg page*] [Reuters page*] [Screen Page]</p>	<p>Reference Currency</p>	<p>[Exchange Rate Page] [/] [Exchange Rate Sponsor] [/] [Exchange Rate<sub>(final)</sub>] [/][Exchange Rate<sub>(initial)</sub>] [/][Exchange Rate<sub>(t)</sub>]</p>	<p>[web page*]</p>	<p>[[Initial] Weighting of the Basket Component in %] [/] [Number of Basket Component<sub>(i)</sub>] [/] [Initial Fixing Level of the Basket Component] [/] [Conversion Ratio] [/] [Cap Level]</p>	<p>[insert different or supplementing definitions, if applicable: •]</p>
<p>[•] [•] ("Target One Underlying") [•] [{"Basket Component 1"}] [/][•] [{"Basket Component 2"}]]</p>	<p>[•]</p>	<p>[•]</p>	<p>[•]</p>	<p>[•]</p>	<p>[•]</p>	<p>[•]</p>	<p>[•]</p>	<p>[•]</p>	<p>[•]</p>	<p>[•]</p>

[\* The Issuer and the Lead Manager do not give any guarantee that the information provided on the [Bloomberg page] [Reuters page] [and/or] [web page] [exchange rate page] referred to above is accurate or complete.]

[insert in the case of Products with an autocallable / express structure:

**Table 3**

[Autocall Observation Date]	[Autocall Trigger Level] [(expressed as percentage of the Initial Fixing Level)]	[Early Redemption Date]	[Coupon Rate][Coupon Amount] [Early Redemption Coupon Amount] [Lock-In Level] [Lock-In Observation Dates]	[Coupon Observation Date][Coupon Trigger Level][Coupon Payment Date] [Partial Coupon Rate 1] [Partial Coupon Rate 2] [Trigger Level for Partial Coupon Rate 1] [Trigger Level for Partial Coupon Rate 2] [(expressed as percentage of the Initial Fixing Level)] [Target One Level]	[insert different or supplementing definitions, if applicable: •]
[•]	[•]	[•]	[•]	[•]	[•]

[\* Value(s) identified with "\*" will be determined on the Initial Fixing Date by the Issuer and/or the Calculation Agent [in its reasonable discretion] [on the basis of the market conditions on this date] and will be published after determination pursuant to § 4 of the General Conditions. [insert information about relevant ranges/limits for value(s) identified with "\*", if applicable: •]]

[insert in the case of Certificates with Cash Settlement and with par value and unconditional minimum redemption, if applicable:

**Table 3**

Performance of the Basket Component with the Worst Performance	Redemption Amount (in the Settlement Currency)	[Partial Redemption Date]	[insert different or supplementing definitions, if applicable: •]
[•]	[•]	[•]	[•]

]

[insert following table in the case of series of Products with an autocallable / express structure and repeat as required for each of the Products:

**Table •**

[Autocall Observation Date]	[Autocall Trigger Level] [(expressed as percentage of the Initial Fixing Level)]	[Early Redemption Date]	[Coupon Rate][Coupon Amount]	[Coupon Observation Date][Coupon Trigger Level][Coupon Payment Date] [Partial Coupon Rate]	[insert different or supplementing definitions, if applicable: •]
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				1] [Partial Coupon Rate 2] [Trigger Level for Partial Coupon Rate 1] [Trigger Level for Partial Coupon Rate 2] [(expressed as percentage of the Initial Fixing Level)]	
[•]	[•]	[•]	[•]	[•]	[•]

]

**PART II**  
**ADDITIONAL INFORMATION**

***[Interests of natural and legal persons involved in the issue/offer***

*[insert interests of natural and legal persons involved in the issue/offer, if applicable: ●]*

***Conditions of the offer, issue price, commissions and valuation***

[Start of Public Offering in Germany: ●]

[Start of Public Offering in France: ●]

[Start of Public Offering in the United Kingdom: ●]

[Start of Public Offering in Italy: ●]

[Start of Public Offering in Czech Republic: ●]

[Start of Public Offering in Czech Republic: ●]

[Start of Public Offering in the Netherlands: ●]

[Start of Public Offering in Ireland: ●]

[Subscription Period: ● [The Issuer reserves the right to end the subscription period prematurely [or to extend it].]]

[Minimum Investment Amount: ●]

[Maximum Investment Amount: ●]

[Manner and date in which results of the offer are to be made public: ●]

Issue Price: ● [In addition to the Issue Price [(plus a surcharge)] or the purchase price the Issuer or the Lead Manager will charge the investor further costs in the amount of [●].]

Issue Date: ● [(subject to an early termination [or extension] of the Subscription Period)]

[Relevant Fees will be paid for these Products.]

[Significant Fees will be paid for these Products.]

[Substantial Fees will be paid for these Products.]

[No commission will be paid for these Products.]

[Entities agreeing to underwrite the issue: ●]

Date of underwriting agreement: ●]

[insert additional information in relation to the conditions of the offer: ●]

### ***Listing and Trading***

[The Issuer intends to have the Products admitted for trading on the exchange(s) as specified in the table below in the relevant segment, if applicable. Bid and offer prices for the Products on the secondary market shall be quoted on each day of trading during the quoting period as specified in the table below under normal market conditions pursuant to the exchange rules and regulations.

<b>Products (ISIN)</b>	<b>Exchange/segment</b>	<b>Scheduled First Trading Day</b>	<b>Last trading day [/ last trading time]</b>	<b>Market Maker</b>	<b>Quoting period</b>	<b>[Quoting in consideration of accrued interest][insert further details in relation to listing, if applicable: ●]</b>
[●]	[Frankfurt Stock Exchange] [SIX Swiss Exchange] [EuroTLX SIM S.p.A., traded on the multi-lateral trading facility (MTF) EuroTLX] [SeDeX, traded on the multi-lateral trading facility (MTF) of securitised derivative financial instruments SeDeX] [●]/	[●]	[●] [/[●]]	[insert name and address: ●]	[09.00 – 17.30 CET] [●]	[no (clean prices)] [yes (dirty prices)] [●]

	[Open Market] [•]					
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However, the Issuer does not assume any legal obligation in respect of the realisation of admission to trading on an exchange as at the Scheduled First Trading Day or the maintenance of any admission to trading that is realised. [Products of the same class have already been admitted for trading on the [•].]

[For the time being, a listing of the Products is not intended.]

[insert information related to off-exchange market-making or other information related to trading, if applicable: •]

### **Consent to use of Prospectus**

[General consent

Offer State[s]: [Germany][,] [and] [France][,] [and] [the United Kingdom] [,][and] [Italy] [,][and] [Czech Republic][,][and] [the Netherlands][,][and] [Ireland]

Offer Period: Period commencing from[, and including,] [the start of the offering in the [respective] Offer State] [insert date: •] [to[, and including,] [insert date: •]]

[Further, such consent is subject to and given under the condition [•].]

[Individual consent

Name and address of financial intermediary [[Selected] Offer State[s]]

[•] [Germany][,] [and] [France][,] [and] [the United Kingdom] [,][and] [Italy] [,][and] [Czech Republic][,][and] [the Netherlands][,][and] [Ireland]

[•] [Germany][,] [and] [France][,] [and] [the United Kingdom] [,][and] [Italy] [,][and] [Czech Republic] [,][and] [the Netherlands][,][and] [Ireland]

Offer Period: Period commencing from[, and including,][the start of the offering in the [respective] Offer State] [insert date: •] [to[, and including,] [insert date: •]]

Website: [www.leonteq.com (under [•])] [insert other website: •]

[Further, such consent is subject to and given under the condition [•].]

### **Information relating to the Underlying**

[Description of [Underlying][Basket Constituents] [and/or] [Reference Rate]: •]

[insert in the case of a single asset as Underlying: The following table shows the [relevant] Underlying and the [relevant] publicly available web page on which information concerning the past and future performance and volatility of the [relevant] Underlying at the time of preparation of the Final Terms can be viewed:

<b>Underlying[s]</b> ([Index] [/] [Share] [/] [Participation Certificate ( <i>Genussschein</i> )] [/] [Security representing Shares] [/] [Currency Exchange Rate] [/] [Commodity] [/] [Futures Contract] [/] [Fixed Rate Instrument] [/] [Derivative Instrument] [/] [Fund Unit] [/] [Interest Rate] [/] [Reference Rate])	[ISIN]/[Unit of weight] [/][Unit of measurement] [/] [Reference Market] [/] [•]	[Bloomberg page*] [Reuters page*]	Web page*
[•]	[•]	[•]	[•]

\* The Issuer and the Lead Manager do not give any guarantee that the information provided on the [Bloomberg page] [Reuters page] [and/or] [web page] referred to above is accurate or complete and will not give notice of any updates.]]

[insert in the case of a basket as Underlying:

The following table[s] show[s] Basket Components contained in the [relevant] Underlying and the publicly available web page on which information concerning the past and future performance and volatility of the relevant Basket Component at the time of preparation of the Final Terms can be viewed:

<b>Basket Component<sub>(i=1)</sub>:</b>	[ISIN]/[Unit of weight] [/][Unit of measurement]	[Bloomberg page*] [Reuters page*]	Web page*	[Initial] weighting of Basket Component in %
[•]	[•]	[•]	[•]	[•]

\* The Issuer and the Lead Manager do not give any guarantee that the information provided on the [Bloomberg page] [Reuters page] [and/or] [web page] referred to above is accurate or complete and will not give notice of any updates.]]

[The Reference Rate is [•]. [insert description of Reference Rate: •]

Information about the past and future performance and volatility of the Reference Rate is available under: [•]]

[Statement on benchmarks according to Article 29 para. 2 of the Benchmark Regulation

[The amount(s) payable under the Products may be calculated by reference to [specify benchmark(s): •], which is/are provided by [insert administrator(s) legal name: •]. As at the date of these Final Terms, [insert administrator(s) legal name: •] is/are [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. [As at the date of these Final Terms, [[insert administrator(s) legal name: •] is/are not included in the register of administrators



and benchmarks established and maintained by ESMA pursuant to article 36 of the Regulation (EU) 2016/1011.]]

[As far as the Issuer is aware, [[*insert benchmark(s): ●*] does/do not fall within the scope of the Regulation (EU) 2016/1011 by virtue of Article 2 of that regulation][and/or][the transitional provisions in Article 51 of the Regulation (EU) 2016/1011 apply], such that [*insert names(s) of administrator(s): ●*] is/are not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence)<sup>2</sup>.] [*insert alternative statement on benchmarks according to Article 29 para. 2 of the Benchmark Regulation, if applicable: ●*]]

***[Publication of post-issuance information***

[*insert information about publication of post-issuance information, if applicable: ●*]]

***[Information in relation to Section 871(m) of the Internal Revenue Code***

[*insert further information in relation to Section 871(m) of the Internal Revenue Code, if applicable: ●*]]

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<sup>2</sup> Additional explanatory language where the statement is negative (i.e. the relevant administrator is not in the ESMA register).

**[ILLUSTRATION OF THE MECHANISM OF THE PRODUCTS**

*Where applicable, insert example(s) for complex derivative securities: •]*

**ANNEX - ISSUE SPECIFIC SUMMARY**

*[the issue specific summary is to be annexed to the Final Terms by the Issuer]*

## IX. GENERAL INFORMATION

### 1. **Responsibility statement**

Leonteq Securities AG, Zurich, which may also be acting either through its Guernsey branch (Leonteq Securities AG, Guernsey Branch) or its Amsterdam branch (Leonteq Securities AG, Amsterdam Branch) as Issuer and Leonteq Securities AG in its role as Lead Manager accept responsibility for the information provided in the Base Prospectus and accordingly declare that the information contained in the Base Prospectus is, to the best of its knowledge, in accordance with the facts and that no material circumstances have been omitted.

### 2. **Availability of the Base Prospectus**

This Base Prospectus, any supplements thereto and the documents incorporated by reference are published by making them available free of charge at Leonteq Securities AG, Europaallee 39, 8004 Zurich, Switzerland, and in another form as may be required by law. Furthermore, the documents will be published on the website [www.leonteq.com](http://www.leonteq.com) (under "Our Services" – "Investment Solutions" – "Structured Products" – "Service" – "Prospectuses" – Leonteq Program EU). The Base Prospectus has been approved in this form by BaFin. BaFin has checked the Base Prospectus for formal completeness as well as the coherence and clarity of the information presented therein. BaFin has not examined the accuracy of the contents. The Final Terms of the Products shall only be fixed shortly before the public offering and shall be published in electronic form at the latest on the first day of the public offering. The Final Terms shall be published by making these be available free of charge at Leonteq Securities AG, Europaallee 39, 8004 Zurich, Switzerland and in another form as may be required by law. Furthermore, the Final Terms will be published on the website [www.leonteq.com](http://www.leonteq.com) (under "Our Services" – "Investment Solutions" – "Structured Products" – on the relevant product site – retrievable by the relevant securities identification number for the Product in the search field) and/or on any other website set out in the applicable Final Terms.

### 3. **Information from third parties**

No information or statements by third parties have been included in the Prospectus. If it is shown that information in the Final Terms has been sourced from a third party, the Issuer confirms that this information has been accurately reproduced and that as far as the Issuer is aware and is able to derive from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer makes no representation as to the correctness or completeness in respect of such information.

### 4. **Rating**

The rating agency Fitch Ratings Limited ("Fitch ") has published solicited credit ratings reflecting its assessment of the creditworthiness of Leonteq Securities AG, i.e. its ability to fulfil in a timely manner payment obligations, such as principal or interest payments on long-term loans, also known as debt servicing.

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The Issuer has been assigned a long-term issuer default rating (IDR) of BBB - (outlook: positive) and a short-term IDR of F3 ("Fair Short-Term Credit Quality"). The rating scale for long-term debt ranges from AAA (highest credit quality, lowest risk) to D (default, payment difficulties, delay). The classification "BBB-" is the fourth highest category within Fitch's credit scale. Within rating categories, Fitch may use modifiers. The rating may be attributed a plus or minus sign. The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories. The modifier "-" indicates that the Issuer's debt ranks in the lower end of that category. The classification F3 is the third highest category within Fitch's short-term credit scale. F3 indicates that the intrinsic capacity for timely payment of financial commitments is adequate.

The following table gives an overview of the rating classes as used by Fitch and the respective meaning.

<b>Long-Term Issuer Default Rating</b>		<b>Short-Term Issuer Default Rating</b>	
<b>AAA:</b> <b>Highest credit quality</b>	'AAA' ratings denote the lowest expectation of credit risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.	<b>F1:</b> <b>Highest Short-Term Credit Quality</b>	Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.
<b>AA:</b> <b>Very high credit quality</b>	'AA' ratings denote expectations of very low credit risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.	<b>F2:</b> <b>Good Short-Term Credit Quality</b>	Good intrinsic capacity for timely payment of financial commitments.
<b>A:</b> <b>High credit quality</b>	'A' ratings denote expectations of low credit risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.	<b>F3:</b> <b>Fair Short-Term Credit Quality</b>	The intrinsic capacity for timely payment of financial commitments is adequate.

## IX. GENERAL INFORMATION

<b>BBB:</b> <b>Good credit quality</b>	'BBB' ratings indicate that expectations of credit risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.	<b>B:</b> <b>Speculative Short-Term Credit Quality</b>	Minimal capacity for timely payment of financial commitments, plus heightened vulnerability to near term adverse changes in financial and economic conditions.
<b>BB: Speculative</b>	'BB' ratings indicate an elevated vulnerability to credit risk, particularly in the event of adverse changes in business or economic conditions over time; however, business or financial alternatives may be available to allow financial commitments to be met.	<b>C:</b> <b>High Short-Term Default risk</b>	Default is a real possibility.
<b>B:</b> <b>Highly speculative</b>	'B' ratings indicate that material credit risk is present.	<b>RD:</b> <b>Restricted Default</b>	Indicates an entity that has defaulted on one or more of its financial commitments, although it continues to meet other financial obligations. Typically applicable to entity ratings only.
<b>CCC: Substantial credit risk.</b>	'CCC' ratings indicate that substantial credit risk is present.	<b>D: Default</b>	Indicates a broad-based default event for an entity, or the default of a short-term obligation.
<b>CC:</b> <b>Very high levels of credit risk.</b>	'CC' ratings indicate very high levels of credit risk.		
<b>C: Exceptionally high levels of</b>	'C' indicates exceptionally high		

<b>credit risk.</b>	levels of credit risk.
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Fitch is registered as credit rating agency under Regulation (EC) No 1060/2009 as amended by Regulation (EU) No 513/2011.

A specific rating of the Products has not been arranged, unless otherwise explicitly indicated in the Final Terms.

Investors should keep in mind that a rating does not constitute a recommendation to purchase, sell or hold the debt securities issued by the Issuer. Moreover, the ratings awarded by the rating agencies may at any time be changed or withdrawn.

The rating agency Japan Credit Rating Agency, Ltd. ("**JCR**") has announced solicited credit rating of Leonteq Securities AG (including its branches) reflecting its credit strength as a going concern, i.e. its relatively stable earnings capacity based on fee income, financial soundness such as an ample liquidity and solid capital base, and solid risk management system.

Issuer has been assigned a Foreign Currency Long-term Issuer Rating of BBB+ (outlook: stable). The rating scale for long-term issuer rating ranges from AAA (highest level of certainty) to D (all obligations are in default). The classification BBB+ is the fourth highest category within JCR's scale. A plus (+) or minus (-) sign may be affixed to the rating symbols from AA to B to indicate relative standing within each of those rating scales. A Rating Outlook is JCR's opinion regarding the likely direction of an issuer rating or an ability to pay insurance claims rating in one or two years after determination of the rating. A Rating Outlook falls into the following five categories: Positive, Stable, Negative, Developing, or Multiple. "Positive" means that a rating may be raised, while "Negative" means it may be lowered. "Stable" means that a rating is not likely to change in the foreseeable future.

The following table gives an overview of the Long-term Issuer Rating Scale as used by JCR and the respective meaning.

AAA	The highest level of certainty of an obligor to honor its financial obligations
AA	A very high level of certainty to honor the financial obligations
A	A high level of certainty to honor the financial obligations
BBB	An adequate level of certainty to honor the financial obligations. However, this certainty is more likely to diminish in the future than with the higher rating categories.
BB	Although the level of certainty to honor the financial obligations is not currently considered problematic, this certainty may not persist in the future.
B	A low level of certainty to honor the financial obligations, giving cause for concern
CCC	There are factors of uncertainty that the financial obligations will be honored, and there is a possibility of default.
CC	A high default risk
C	A very high default risk
LD	JCR judges that while an obligor does not honor part of the agreed to financial obligations, but it honors all its other agreed to financial obligations.
D	JCR judges that all the financial obligations are, in effect, in default.

A plus (+) or minus (-) sign may be affixed to the rating symbols from AA to B to indicate relative standing within each of those rating scales.

- (a) A Long-term Issuer Rating Scale enables comparison of the overall capacity of an obligor (issuer) to honor its entire financial obligations with such overall capacity of others.
- (b) The same Definitions of Rating Symbols and Scales shall be applied to the Ability to Pay Insurance Claims Rating.

JCR is a certified credit rating agency under Regulation (EC) No 1060/2009 as amended by Regulation (EU) No 513/2011.

A specific rating of the Products has not been arranged, unless otherwise explicitly indicated in the Final Terms.

Investors should keep in mind that a rating does not constitute a recommendation to purchase, sell or hold the debt securities issued by the Issuer. Moreover, the ratings awarded by the rating agencies may at any time be changed or withdrawn.

#### 5. **Consent to use the Prospectus**

The Issuer consents, to the extent and under the conditions, if any, as specified in the relevant Final Terms, to the use of this Base Prospectus and accept responsibility for the content of the Base Prospectus also with respect to subsequent resale or final placement of Products by any financial intermediary which was given consent to use the Base Prospectus. Such consent is given for the duration of the Offer Period specified in the applicable Final Terms. Such consent may, as specified in the relevant Final Terms, be given for the duration of the Offer Period specified in the relevant Final Terms to:

- (1) all financial intermediaries (general consent) and for all Offer States; or
- (2) one or more specified financial intermediaries (individual consent) and either
  - (a) for all Offer States; or
  - (b) for selected Offer States only.

In the case of a general consent the Issuer consents to the use of the Base Prospectus and the Final Terms by all financial intermediaries. General consent for the subsequent resale or final placement of Products by the financial intermediaries is given in relation to the Offer State(s) during the Offer Period during which subsequent resale or final placement of the Products can be made, provided however, that the Base Prospectus (and/or Succeeding Base Prospectus) is still valid according to Section 9 of the German Securities Prospectus Act. In the case of an Offer Period which exceeds the duration of the validity of the Base Prospectus, the subsequent resale and final placement of the Products by financial intermediaries can be made during the period in which a Succeeding Base Prospectus (as defined in the relevant Final Terms) exists. In this case, the consent to the use of the Base Prospectus also applies to the use of the Succeeding Base Prospectus.

In the case of an individual consent the Issuer consents to the use of the Base Prospectus and the Final Terms by the financial intermediary/intermediaries set out in the applicable Final Terms. The applicable



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Final Terms will also specify the address of the relevant financial intermediary/intermediaries Individual consent for the subsequent resale or final placement of Products by the specified financial intermediaries is given in relation to all relevant Offer State(s) or to one or more Selected Offer States during the Offer Period during which subsequent resale or final placement of the Products can be made, provided however, that the Base Prospectus (and/or Succeeding Base Prospectus) is still valid according to Section 9 of the German Securities Prospectus Act. In the case of an Offer Period which exceeds the duration of the validity of the Base Prospectus, the subsequent resale and final placement of the Products by financial intermediaries can be made during the period in which a Succeeding Base Prospectus (as defined in the relevant Final Terms) exists. In this case, the consent to the use of the Base Prospectus also applies to the use of the Succeeding Base Prospectus. Any new information with respect to financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms will be published in electronic form on the website [www.leonteq.com](http://www.leonteq.com) (under "Our Services" – "Investment Solutions" – "Structured Products" – "Service" – "Prospectuses" – under the heading "Notices") or any other website specified in the applicable Final Terms.

**"Offer States"** means one or more of the following Member States, as specified in the relevant Final Terms: Germany, France, Czech Republic, the United Kingdom, Italy, the Netherlands and Ireland.

The above consent is subject to compliance with the selling restrictions applicable to the Products and with any applicable law. Each financial intermediary is obliged to only provide the Base Prospectus together with any supplement thereto (if any) to any potential investor.

**In the event that a financial intermediary makes an offer, that financial intermediary will inform investors at the time the offer is made of the terms and conditions of the offer.**

**If the relevant Final Terms state that the consent to use the Base Prospectus is given to all financial intermediaries in the respective Offer States (general consent), any financial intermediary using the Base Prospectus has to state on its website that it uses the Base Prospectus with the consent of the Issuer and in accordance with the conditions attached thereto.**

**If the relevant Final Terms state that the consent to use the Base Prospectus is given to one or more specified financial intermediaries in the respective Offer States (individual consent), any new information with respect to financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the relevant Final Terms will be published in electronic form on the website [www.leonteq.com](http://www.leonteq.com) ("Our Services" – "Investment Solutions" – "Structured Products" – on the relevant product site – retrievable by the relevant securities identification number for the Product in the search field)) or any other website, as further specified in the relevant Final Terms.**

**X. DOCUMENTS INCORPORATED BY REFERENCE**

In the Base Prospectus reference is made to the following document pursuant to Section 11 WpPG:

- In Section "III. Information about the Issuer" (page 241 of the Base Prospectus) the information contained in the Registration Document of Leonteq Securites AG dated 8 April 2019 with respect to the Issuer are incorporated by reference into this Base Prospectus pursuant to Section 11 WpPG and are therefore deemed to be an integral part of this Base Prospectus.
- In Section "IV. Information about the Products" under " (n) Continuation of the public offer and increases of Products" on page 252 et seq. of the Base Prospectus the information contained in the section "V. Terms and Conditions" (pages 205 to 818) and in the section "VIII. Form of Final Terms" (pages 847 to 918) of the Base Prospectus of Leonteq Securities AG dated 29 June 2016 are incorporated by reference into this Base Prospectus pursuant to Section 11 WpPG and are therefore deemed to be an integral part of this Base Prospectus. All further sections of the Base Prospectus of Leonteq Securities AG dated 29 June 2016, which are not incorporated by reference into this Base Prospectus are not relevant for the investor.
- In Section "IV. Information about the Products" under " (n) Continuation of the public offer and increases of Products" on page 252 et seq. of the Base Prospectus the information contained in the section "V. Terms and Conditions" (pages 221 to 864) and in the section "VIII. Form of Final Terms" (pages 893to 970) of the Base Prospectus of Leonteq Securities AG dated 29 June 2017 are incorporated by reference into this Base Prospectus pursuant to Section 11 WpPG and are therefore deemed to be an integral part of this Base Prospectus. All further sections of the Base Prospectus of Leonteq Securities AG dated 29 June 2017, which are not incorporated by reference into this Base Prospectus are not relevant for the investor.
- In Section "IV. Information about the Products" under " (n) Continuation of the public offer and increases of Products" on page 252 et seq. of the Base Prospectus the information contained in the section "V. Terms and Conditions" (pages 277 to 1139) and in the section "VIII. Form of Final Terms" (pages 1172 to 1259) of the Base Prospectus of Leonteq Securities AG dated 27 June 2018 are incorporated by reference into this Base Prospectus pursuant to Section 11 WpPG and are therefore deemed to be an integral part of this Base Prospectus. All further sections of the Base Prospectus of Leonteq Securities AG dated 27 June 2018, which are not incorporated by reference into this Base Prospectus are not relevant for the investor.

The document incorporated by reference has been filed with BaFin and can be ordered free of charge from or will be available, during the usual business hours for inspection at Leonteq Securities AG, Europaallee 39, 8004 Zurich, Switzerland. In addition thereto, the document is published in electronic form on the website [www.leonteq.com](http://www.leonteq.com) (under "Our Services" – "Investment Solutions" – "Structured Products" – "Service" – "Prospectuses" – Leonteq Program EU).