

This document compiles two base prospectuses with different categories of securities pursuant to Art. 22 para. (6) of the Commission Regulation (EC) No. 809/2004 of 29 April 2004 (the "Regulation"): (i) Base Prospectus regarding non-equity securities within the meaning of Art. 22 para. (6) no. (4) of the Regulation and (ii) Base Prospectus regarding Pfandbriefe within the meaning of Art. 22 para. (6) no. (3) of the Regulation (together, the "Base Prospectus").

Dated 10 May 2006



Ein Unternehmen der  
WGZ BANK-Gruppe

**WL-BANK WESTFÄLISCHE LANDSCHAFT  
Bodenkreditbank AG  
(Münster, Federal Republic of Germany)**

EUR 15.000.000.000

Debt Issuance Programme for the Issue of Notes,  
derivative Notes and Pfandbriefe

Application has been made to list the Non Equity Securities to be issued under the Programme on the Official Market of the Düsseldorf Stock Exchange. However, the Non Equity Securities may be listed on such other or further stock exchange(s), or not listed on any stock exchange, as specified in the relevant Final Terms.

The Non Equity Securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or with any securities regulatory authority of any State or other jurisdiction of the United States, and the Non Equity Securities are subject to certain requirements under U.S. tax law. Apart from certain exceptions, the Non Equity Securities issued on reliance on Tefra C and Tefra D may not be offered, sold or delivered within the United States of America and Non-Equity Securities issued on reliance on Tefra D may not offered, sold or delivered to, or for the benefit of, U.S. Persons (as defined in the U.S. Internal Revenue Code of 1986, as amended, and the regulations thereunder). (see Securities Description: Selling Restrictions).

For Non-Equity Securities issued on reliance on Tefra D, interests in a Temporary Global Note will be exchangeable, in whole or in part, for interests in a Permanent Global Note on or after the date 40 days after the later of the commencement of the offering and the relevant issue date, upon certification to non-U.S. beneficial ownership.

**Arranger**

**Dresdner Kleinwort Wasserstein**

**WGZ BANK**

**Dealer**

**ABN AMRO  
Commerzbank Corporates & Markets  
DZ BANK AG  
Landesbank Baden-Württemberg  
WL-BANK**

**Barclays Capital  
Deutsche Bank  
HSBC  
Morgan Stanley  
WGZ BANK**

**Citigroup  
Dresdner Kleinwort Wasserstein  
HVB Corporates & Markets  
UBS Investment Bank**

## Table of Contents

Documents incorporated by reference .....	viii
Summary .....	1
Summary with regard to the Issuer .....	1
Summary with regard to the WGZ BANK .....	5
Summary of the Offering .....	14
Deutsche Übersetzung der Summary .....	19
Risk Factors relating to the Issuer .....	38
Risk Factors relating to WGZ BANK .....	42
Risk Factors relating to the Notes .....	46
Additional Risk Factors Relating to Derivative Notes .....	48
Risk Factors relating to Pfandbriefe .....	50
Risk Factors relating to the Keep-well statement .....	50
Responsible Persons .....	54
Issuer Description .....	55
Auditors .....	55
Information on the Issuer .....	55
Business Overview .....	56
Information of Financial Condition and Results of Operations .....	60
Corporate Organisation .....	67
Information on Business Trends .....	67
Corporate Bodies .....	68
Principal Shareholders .....	69
Financial Information .....	70
Important Agreements .....	70

Description of WGZ BANK .....	72
Responsibility for Prospectus Content .....	72
Auditors .....	72
Information on WGZ BANK .....	72
Business history and business development .....	72
Corporate Organisation .....	73
Business Overview .....	74
Corporate bodies .....	74
Reserves, Financial Year, Annual Financial Statements .....	77
Principal Shareholders .....	77
Important Agreements .....	77
Legal Proceedings .....	78
Trend Information .....	78
Documents Available for Inspection .....	80
Securities Description .....	81
General Description of the Programme .....	81
<i>Standard Notes</i> .....	81
<i>Derivative Notes</i> .....	82
<i>Pfandbriefe</i> .....	82
Responsible Persons .....	82
Risk Factors .....	83
Key Information .....	83
A. Securities Information Concerning the Non-Interest Bearing, Fixed Rate, Floating Rate or derivative Interest Rate Subordinated or Unsubordinated Standard Notes to be Offered or Admitted to Trading .....	84
<i>Type and Class of the Notes</i> .....	84

<i>Governing Law (see Terms and Conditions Schedule 1 § 13)</i> .....	84
<i>Form, Custody and Transfer of the Notes (see Terms and Conditions Schedule 1 § 1(1)-(5))</i> .....	84
<i>Currency (see Terms and Conditions Schedule 1 § 1(1))</i> .....	84
<i>Status and Ranking (see Terms and Conditions Schedule 1 § 2)</i> .....	85
<i>Early Redemption Rights (see Terms and Conditions Schedule 1 § 4 and § 9)</i> .....	85
<i>Interest (see Terms and Conditions Schedule 1 § 3)</i> .....	86
<i>Due Dates and Payments (see Terms and Conditions Schedule 1 § 4(a) and § 5)</i> .....	88
B. Securities Information Concerning the derivatives Notes the Redemption Amount of which is Linked to a to Reference Asset.....	90
Information Concerning the derivative Notes to be Offered or Admitted to Trading .....	90
<i>Type and Class of the Notes</i> .....	90
<i>Relation between Reference Asset and Investment</i> .....	90
<i>Governing Law (see Terms and Conditions Schedule 1 § 13)</i> .....	91
<i>Form, Custody and Transfer of the Notes (see Terms and Conditions Schedule 1 § 1(1)-(5))</i> .....	91
<i>Currency (see Terms and Conditions Schedule 1 § 1(1))</i> .....	91
<i>Status and Ranking (see Terms and Conditions Schedule 1 § 2)</i> .....	91
<i>Rights and Procedure for the Exercise of Rights</i> .....	91
<i>Expiration or Maturity Date, Return, Payment, Delivery and Calculation Method and Settlement Procedure</i> .....	92
Information Relating to the Reference Assets .....	94
<i>Exercise Price or Final Reference Price of the Reference Asset</i> .....	94
C. Securities information concerning Pfandbriefe with fixed or variable interest or zero coupon Pfandbriefe .....	96
<i>Rules applicable to all Types of Pfandbriefe</i> .....	96
<i>Type and Class of the Pfandbriefe</i> .....	98

	<i>Governing Law (see Schedule 2 Terms and Conditions § 11 and Schedule 3 Terms and Conditions § 9)</i> .....	99
	<i>Form, Custody and Transfer of the Pfandbriefe (see Schedule 2 Terms and Conditions § 1(b) and (c) and Schedule 3 Terms and Conditions § 1(2))</i> .....	99
	<i>Currency (see Schedule 2 Terms and Conditions § 1(a) and Schedule 3 Terms and Conditions § 1(1))</i> .....	99
	<i>Status and Ranking (see Schedule 2 Terms and Conditions § 2 and Schedule 3 Terms and Conditions § 5)</i> .....	99
	<i>Early Redemption Rights (see Schedule 2 Terms and Conditions § 4(b) and Schedule 3 Terms and Conditions § 3)</i> .....	99
	<i>Interest (see Schedule 2 Terms and Conditions § 3 and Schedule 3 Terms and Conditions § 2)</i> .....	100
	<i>Due Dates and Payments (see Schedule 2 Terms and Conditions § 4(a) and § 5 and Schedule 3 Terms and Conditions § 3)</i> .....	101
D.	Information concerning the keep-well statement (Patronatserklärung) of WGZ BANK ....	103
	<i>Keep-well statement</i> .....	103
	<i>Application of Keep-well Agreement</i> .....	103
E.	Other Conditions applicable to all Non Equity Securities .....	104
	<i>Yield</i> .....	104
	<i>Meetings of Noteholders</i> .....	104
	<i>Basis of Authorisation</i> .....	104
	<i>Issue Date</i> .....	104
	<i>Selling Restrictions</i> .....	104
	<i>Tax Treatment of the Non Equity Securities (see Terms and Conditions Schedules 1 and 2 § 7)</i> .....	106
	Federal Republic of Germany .....	106
	German Tax Residents .....	106
	Special Rules for Financial Innovations .....	108
	German Tax Non-Residents .....	108

European Union Directive on the Taxation of Savings Income .....	108
Gift or Inheritance Taxation.....	109
Stamp Duty .....	109
Terms and Conditions of the Offer.....	110
<i>Timetable and Action Required to Apply for the Offer</i> .....	110
<i>Terms of the Offer</i> .....	110
<i>Total Amount Issued</i> .....	110
<i>Time Period of the Offer</i> .....	110
<i>Subscription</i> .....	110
<i>Subscription Price</i> .....	110
<i>Delivery</i> .....	110
<i>Result of the Offer</i> .....	110
<i>Subscription Rights</i> .....	110
<i>Allotment of the Non Equity Securities</i> .....	111
<i>Categories of Target Investors and Target Markets</i> .....	111
<i>Allotment Procedure</i> .....	111
<i>Pricing</i> .....	111
<i>Placing and Underwriting</i> .....	111
<i>Underwriters</i> .....	111
<i>Paying Agents</i> .....	111
<i>Underwriting</i> .....	111
<i>Subscription Agreement</i> .....	111
<i>Calculation Agent</i> .....	112
Admission to Trading and Dealing Arrangements .....	112
<i>Admission to Trading</i> .....	112

<i>Stock Exchange Listings</i> .....	112
<i>Market Making</i> .....	112
Additional Information.....	112
<i>Advisers</i> .....	112
<i>Audit Reports</i> .....	112
<i>Experts</i> .....	112
<i>Information Sources</i> .....	112
<i>Credit Rating</i> .....	112
<i>Post-Issuance Information</i> .....	113
INDEX TO FINANCIAL STATEMENTS .....	1

#### Schedules

Schedule 1: Terms and Conditions of Notes .....	A-2 - A-36
Emissionsbedingungen Schuldverschreibungen	
Schedule 2: Terms and Conditions of Inhaberpfandbriefe .....	A-37- A-59
Emissionsbedingungen Inhaberpfandbriefe	
Schedule 3: Terms and Conditions of the Jumbo Pfandbriefe and Global Pfandbrief Issues .....	A-60 – A-64
Emissionsbedingungen Jumbopfandbriefe und Pfandbrief-Globalanleihen	
Schedule 4: Form of Final Terms .....	A-65- A-103
Muster Endgültige Bedingungen	

## Documents incorporated by reference

The following documents that are available at the Düsseldorf Stock Exchange (<http://www.boerse-duesseldorf.de> or Börse Düsseldorf AG, Ernst-Schneider-Platz 1 40212 Düsseldorf) and are published on the homepage of the Issuer (<http://www.wl-bank.de>) and WGZ BANK (<http://www.wgzbank.de>), respectively, are incorporated by reference into this Base Prospectus:

- Financial statements, notes and management report of the Issuer as at 31. December 2004,
- Financial statements, notes and management report of the Issuer as at 31. December 2005;
- Financial statements, consolidated financial statements, notes and management report of WGZ BANK as at 31. December 2003, and
- Financial statements, consolidated financial statements, notes and management report of WGZ BANK as at 31. December 2004

## Comparative table of documents incorporated by reference

Page	Section	Pages of document incorporated by reference
F-1	Financial information	Pages 55-89 of the 2005 annual report of the Issuer and pages 19-50 of the Issuer's 2004 annual report.
F-1	Financial information	Pages 38-110 of WGZ BANK's 2003 annual report 42-116 of WGZ BANK's 2004 annual report.



## **Summary**

*The following summary must be read as an introduction to this Base Prospectus (hereinafter "Base Prospectus" or "Prospectus"). This summary is qualified in its entirety by, and is subject to, Base Prospectus as a whole and the documents incorporated by reference and any supplement. Therefore, any decision to invest in the Notes should not only be based on this summary but on a consideration of the Base Prospectus and the documents incorporated by reference as well as the applicable Final Terms and any supplement to the Base Prospectus, if applicable, which are published in connection with the issuance of Non Equity Securities. WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG (hereinafter "WL-BANK" or "Issuer") shall only be liable for the content of this summary, if it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus. Where a claim relating to the information contained in this Base Prospectus is brought before a court, the plaintiff may, under the national legislation of the relevant member state of the European Economic Area, be required to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.*

*This Base Prospectus has been prepared in the English language and has been verified by the Bundesanstalt für Finanzdienstleistungsaufsicht with respect to its completeness, coherence and comprehensibility. In relation to issuance of a particular series of Notes, the Final Terms will stipulate whether the German language version of the Terms and Conditions or the English language version of the Terms and Conditions is binding.*

## **Summary with regard to the Issuer**

### **Members to the Management and Supervisory Boards**

The management board of the Issuer is comprised of a minimum of two members. The supervisory board determines the number of and appoints the management board members and nominates the chairman of the management board. The current members of the management board include: Günter Lampe, Helmut Rausch and Dr. Thomas Sommer.

The supervisory board of the Issuer consists of eleven members, as set out in the by-laws. The supervisory board appoints a chairman and a vice chairman from among its members. The current supervisory board consists of: Franz-Josef Möllers (Chairman), Werner Böhnke (Deputy Chairman), Dr. Wolfgang Baecker, Hans-Willi Gehr, Günter Jobs, Alfons Licher, Nicole Menke, Rainer Peters, Rolf Schönherr, Werner Schulze Eskin and Thomas Ullrich.

### **Auditors**

The financial statement at and for the year ended 31 December 2004 has been audited and an unqualified audit opinion has been attached by Deutscher Genossenschafts- und Raiffeisenverband e.V., Pariser Platz 3, 10117 Berlin. Deutscher Genossenschafts- und Raiffeisenverband e.V. is a member of the institute of accountants in Germany (*Institut für Wirtschaftsprüfer in Deutschland e.V.*), 40474 Düsseldorf.

The financial statements at and for the year ended 31 December 2005 have been audited and an unqualified audit opinion has been attached by DGR Deutsche Genossenschafts-Revision Wirtschaftsprüfungsgesellschaft GmbH, Adenauerallee 121, 53113 Bonn. DGR Deutsche Genossenschafts-Revision Wirtschaftsprüfungsgesellschaft GmbH is a member of the institute of accountants in Germany (*Institut für Wirtschaftsprüfer in Deutschland e.V.*), 40474 Düsseldorf.

## **Information on the Issuer**

### **Corporate Objects**

Corporate objects of the Issuer are granting real-estate and public sector loans as well as the issuance of notes in accordance with the German Pfandbrief Act (*Pfandbriefgesetz*).

### **Overview**

The Issuer's main areas of activity are the granting of real estate loans and public sector loans as well as the issuance of Pfandbriefe.

The main focus of the real estate lending business is on the financing of residential objects. The focus of the state and municipal lending business is on the granting of loans to the federal government, the federal states, cities and municipalities, to domestic cooperations and public law institutions as well as to member states of the European Union or the European Economic Area, to regional governments and local authorities, and to other debtors with qualifying coverage for Pfandbriefe pursuant to the Pfandbriefe Act (*Pfandbriefgesetz*).

### **Principal Shareholders**

As at the date of this Base Prospectus, WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank (hereinafter, "WGZ BANK") owns 90.19% of the share capital of WL-BANK, 0.284% by way of direct holdings and 89.90% through its 100% subsidiary Wegeno Verwaltungsgesellschaft mbH. Stiftung Westfälische Landschaft (4.62%) and the industrial and agricultural credit cooperatives (5,194%)(*Raiffeisenbanken und Volksbanken*) hold the remaining shares.

### **Trend Information**

Since the date of the last published audited financial statements, there have been no material adverse changes in the prospects of the Issuer.

## Summary of Selected Financial Information of the Issuer

The financial statements of the Issuer have been prepared in accordance with principles of orderly accounting pursuant to the provisions of the German Commercial Code (*Handelsgesetzbuch – "HGB"*).

The following tables contain certain financial information for the Issuer for the financial years ended 31 December 2005 and 2004. The following summary is an excerpt from the audited annual reports as of and for the years ended 31 December 2005 and 2004.

	At 31 December	
	2005	2004
	<i>(in thousands of Euros)</i>	
<b>Balance Sheet Data</b>		
Loans and advances to banks .....	5,818,064	4,239,161
Loans and advances to customers .....	16,609,154	14,793,461
Bonds and other fixed income securities .....	9,021,486	6,788,191
Liabilities to banks .....	4,500,215	3,629,077
Liabilities to customers .....	7,501,568	5,790,156
Certificated liabilities .....	19,156,713	16,057,724
Subordinated liabilities .....	112,406	110,302
Profit participation right capital (Genussrechtskapital) .....	79,678	84,790
Equity .....	301,314	292,560
Total liabilities and equity .....	31,791,375	26,083,525

	At 31 December	
	2005	2004
	<i>(in thousands of Euros)</i>	
<b>Data according to § 28 Pfandbriefgesetz</b>		
Cover pool mortgages .....	6,049,850	5,818,656
Cover pool public sector	21,657,897	17,513,254
Pfandbriefe excess coverage	379,545	385,301
Public sector Pfandbriefe excess coverage	746,964	1,056,217

## Capitalisation

The following tables set forth the capitalisation of the Issuer at 31 December 2005 and 31 December 2004 as derived from the audited Financial Statements for the years ended 31 December 2005 and 2004.

Liabilities	At 31 December	
	2005	2004
	(in thousands of Euros)	
<b>Current liabilities</b> .....	<b>5,840,516</b>	<b>5,297,642</b>
Certificated liabilities (maturity less than a year) .....	3,333,281	2,900,757
Current liabilities (maturity less than a year) .....	2,507,235	2,396,885
 <b>Long-term liabilities</b> .....	 <b>25,317,980</b>	 <b>20,179,315</b>
Certificated liabilities (maturity greater than one year) .....	15,823,432	13,156,967
Long-term liabilities (maturity greater than one year) .....	9,494,548	7,022,348
 <b>Trust liabilities</b> .....	 <b>23,824</b>	 <b>27,343</b>
<b>Other liabilities</b> .....	<b>29,579</b>	<b>24,756</b>
<b>Deferred income</b> .....	<b>61,612</b>	<b>50,091</b>
 <b>Provisions</b> .....	 <b>24,467</b>	 <b>16,726</b>
Pension provisions and similar provisions .....	9,585	7,343
Tax provisions .....	5,191	1,096
Other provisions .....	9,691	8,287

Capitalisation	At 31 December	
	2005	2004
	(in thousands of Euros)	
<b>Subordinated Liabilities</b> .....	<b>112,406</b>	<b>110,302</b>
<b>Profit participation right capital</b> .....	<b>79,678</b>	<b>84,790</b>
 <b>Equity</b> .....	 <b>301,314</b>	 <b>292,560</b>
Subscribed capital .....	85,376	85,376
Capital reserves .....	153,108	153,108
Retained earnings .....	48,100	41,160
required by law .....	700	700
other retained earnings .....	47,400	40,460

## **Summary with regard to the WGZ BANK**

WGZ BANK issued a keep-well statement in favour of the Issuer that states that WGZ BANK will provide the Issuer – except for political risks – with sufficient capital in the maximum amount of its participation in the Issuer's share capital, so that the Issuer will be in a position to pay all its debt when due so long as WGZ BANK holds share capital of the Issuer. Accordingly, WGZ BANK is described in the following chapter:

### **Members to the Management and Supervisory Boards**

The corporate bodies of WGZ BANK are the supervisory board, the management board and the shareholders' meeting. The management board of WGZ BANK conducts the business in its own responsibility and according to the laws, the articles of association and the internal rules of procedures that have been authorized by the supervisory board. Two members of the management board or one member of the management board together with one person having a power of attorney (Prokurist) can legally bind WGZ BANK and can represent WGZ BANK. According to the articles of association, the management board consists of a minimum of four members that are nominated by the supervisory board.

### **Auditors**

The annual financial statements and the consolidated financial statements for the financial years 1993 to 2005 have been audited without qualification by Deutscher Genossenschafts- und Raiffeisenverband e.V. (DGRV), Pariser Platz 3, 10117 Berlin, Germany. DGRV is a member of the German Institute of Certified Public Accountants (*Institut der Wirtschaftsprüfer in Deutschland e.V.* - IDW), 40474 Düsseldorf, Germany.

### **Information on WGZ BANK**

#### **Corporate Objects**

WGZ BANK is the central bank of 235 *Volks- und Raiffeisenbanken* in North Rhine-Westphalia (member banks) and the administrative districts of Koblenz and Trier in Rhineland-Palatinate. Together with its member banks it forms the regional finance association (*Regionaler Finanz Verbund*). The promotion and reinforcement of the competitiveness of this group of core clients represents the main business objective of WGZ BANK.

#### **Overview**

WGZ BANK is a stock corporation under German law (*Aktiengesellschaft deutschen Rechts*). WGZ BANK's registered seat is at Ludwig-Erhard-Allee 20, 40227 Düsseldorf, Germany. The company can be contacted by phone at 0211/778-0. The commercial name of the company is "WGZ BANK" or "WGZ BANK – Die Initiativbank".

WGZ BANK was created in 1970 as a result of the merger between Ländliche Centalkasse, Münster, founded in 1884, Genossenschaftliche Zentralbank Rheinland, Cologne, founded in 1892, and Zentralkasse Westdeutscher Volksbanken, Münster/Cologne, founded in 1897. On 10 June 2005, the general meeting of WGZ BANK decided a change of the legal form and transformed the company from a registered cooperative into a stock corporation under German law. WGZ BANK was registered in the commercial register of the local court (*Amtsgericht*) of Düsseldorf on 26 August 2005 under the number HRB 52363.

#### **Principal Shareholders and Transactions**

The owners of a stock corporation under German law (*Aktiengesellschaft*) are its shareholders. The share capital of WGZ BANK is held by *Volks- und Raiffeisenbanken* of the region (member

banks), other credit institutions, goods and services cooperatives (*Waren- und Dienstleistungsgenossenschaften*) and cooperative entities with other legal forms and other shareholders.

### Trend Information

Since the date of the last published audited financial statements, there have not been any material negative changes in the prospects of WGZ BANK and WGZ BANK Group.

### Summary of Selected Financial Information of WGZ

The financial statements of WGZ BANK have been prepared in accordance with principles of orderly accounting pursuant to the provisions of the German Commercial Code (*Handelsgesetzbuch – "HGB"*).

## WGZ BANK – Highlights

31.12.	2003	2004	2005		Change
in EUR m					%
<b>Assets</b>					
Claims on					
member banks	10,259	10,360	<b>10,297</b>	-63	-0.6
other banks	6,668	5,746	<b>7,413</b>	1,667	29.0
customers	7,256	6,421	<b>6,227</b>	-194	-3.0
Securities	7,512	9,419	<b>9,984</b>	565	6.0
Investments and holdings					
in affiliated companies	1,850	2,010	<b>2,120</b>	110	5.5
Other assets	642	528	<b>513</b>	-15	-2.8
<b>Liabilities</b>					
Liabilities to					
member banks	8,897	9,990	<b>8,785</b>	-1,205	-12.1
other banks	14,161	13,337	<b>14,129</b>	792	5.9
customers	3,580	3,671	<b>4,528</b>	857	23.3
Securitized liabilities	4,758	4,643	<b>5,639</b>	996	21.5
Subordinated	348	343	<b>331</b>	-12	-3.5

<b>31.12.</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>		<b>Change</b>
<b>in EUR m</b>					<b>%</b>
liabilities					
Profit-sharing certificates	457	441	<b>390</b>	-51	-11.6
Fund for general banking risks	360	360	<b>426</b>	66	18.3
Subscribed capital	522	529	<b>605</b>	76	14.4
Reserves	672	708	<b>946</b>	238	33.6
Distributable profit	25	32	<b>63</b>	31	96.9
Other liabilities	407	430	<b>712</b>	282	65.6
<b>Balance sheet total</b>	34,187	34,484	<b>36,554</b>	2,070	6.0
Contingent liabilities	812	1,286	<b>1,663</b>	377	29.3
<b>Business volume</b>	34,999	35,770	<b>38,217</b>	2,447	6.8
<b>Derivatives - nominal volume -</b>	92,979	98,165	<b>127,640</b>	29,475	30.0
<b>Tier 1 capital</b>	1,554	1,597	<b>1,999*</b>	402	25.2
<b>Liabe own funds</b>	2,297	2,304	<b>2,352*</b>	48	2.1
<b>Overall ratio (in %)</b>	18.4	18.1	<b>16.5</b>		
*after appropriation of the profit					

## WGZ BANK Group – Highlights

31.12.	2003	2004	2005		Change
in EUR m					%
<b>Assets</b>					
Claims on					
member banks	11,892	11,941	<b>11,699</b>	-242	-2.0
other banks	10,478	10,286	<b>13,043</b>	2,757	26.8
customers	21,112	21,693	<b>23,247</b>	1,554	7.2
Securities	15,469	19,834	<b>23,031</b>	3,197	16.1
Investments and holdings					
in affiliated companies	1,241	1,342	<b>1,413</b>	71	5.3
Other assets	1,072	1,036	<b>1,151</b>	115	11.1
<b>Liabilities</b>					
Liabilities to					
member banks	9,245	10,505	<b>9,357</b>	-1,148	-10.9
other banks	20,535	20,336	<b>21,918</b>	1,582	7.8
customers	9,505	10,340	<b>13,210</b>	2,870	27.8
Securitised liabilities	18,877	21,772	<b>25,316</b>	3,544	16.3
Subordinated liabilities	476	476	<b>465</b>	-11	-2.3
Profit-sharing certificates	541	526	<b>460</b>	-66	-12.5
Fund for general banking risks	208	212	<b>212</b>	0	0.0
Subscribed capital	522	529	<b>605</b>	76	14.4
Reserves	685	728	<b>975</b>	247	33.9
Minority interests	31	38	<b>41</b>	3	7.9
Consolidated profit	57	75	<b>132</b>	57	76.0
Other liabilities	582	595	<b>893</b>	298	50.1
<b>Balance sheet total</b>	61,264	66,132	<b>73,584</b>	7,452	11.3
Contingent liabilities	751	1,221	<b>1,645</b>	424	34.7



<b>31.12.</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>		<b>Change</b>
in EUR m					%
<b>Business volume</b>	62,015	67,353	<b>75,229</b>	7,876	11.7
<b>Derivatives - nominal volume -</b>	106,107	116,128	<b>152,019</b>	35,891	30.9
<b>Tier 1 capital</b>	1,455	1,525	<b>1,905</b>	380	24.9
<b>Liabe own funds</b>	2,052	2,073	<b>2,087</b>	14	0.7
<b>Overall ratio (in %)</b>	11.5	11.1	<b>10.2</b>		

## Summary of Risk Factors

The purchase of Notes, derivative Notes and Pfandbriefe (collectively, "Non Equity Securities") issued under the Programme is associated with the risks summarised below. The specific risks of the Non Equity Securities issued from time to time and may only be set out in the respective Final Terms, which must therefore always be included in the assessment of risks. In this respect, investors should consider the information on the Issuer and the Notes contained in this Prospectus and in the Final Terms as well as the risks factors for their investment decision.

Prospective purchasers of the Non Equity Securities offered hereby should consider their current financial circumstances and investment objectives and always consult their own financial, legal and tax advisers with regard to the suitability of such Non Equity Securities in the light of their personal circumstances before acquiring such Non Equity Securities.

**Should one or several of these risks occur, this could lead to a material and long-term decline in the price of the Non Equity Securities or, in extreme cases, to a total loss of interest and of the amount invested by the investor.**

### ***Risks related to WL-BANK***

The Keep-well statement provided by WGZ BANK for the benefit of the Issuer does not constitute a guarantee. Therefore, it does not give holders of Non Equity Securities any direct payment claim against WGZ BANK in the event that the Issuer defaults with regard to payments to be made under the Non Equity Securities. No assurance is provided that WGZ BANK will remain a majority shareholder of the Issuer.

Unforeseen events such as severe natural catastrophes, terrorist attacks or other comparable states of emergency can lead to an abrupt interruption of the Issuer's operations, which can cause substantial expenses and losses. Such events may also make insurance coverage for certain risks unavailable and thus increase the Issuer's risk.

As with most other mortgage banks, the Issuer relies heavily on communication and information systems to conduct its business. If, for example, the Issuer's information systems failed, even for a short period of time, it would be unable to close open positions as planned and possibly not carry out customer orders. The damage and costs arising therefrom, including expenses for the recovery of required data, may cause considerable costs and customer losses despite existing backup systems and emergency plans, which might in turn lead to a material deterioration of the Issuer's financial situation and operating result.

All divisions of the Issuer, in particular in the mortgage bond business and its cover pool business, are facing strong competition. The Issuer's focus on real estate and public sector financing is in Germany, a fully developed market on which the competitive pressure has rapidly increased and which is currently suffering from a permanently weak economy with high unemployment and a growing number of insolvencies. In particular in the banking sector, an ongoing consolidation could even aggravate competition. If the Issuer does not manage to meet the strong competition and the economic situation in Germany and the other major markets of the Issuer with a diligent selection of debtors and attractive and profitable products and services, its profitability could be endangered. As a Pfandbriefbank, the Issuer is exposed to the creditworthiness of its customers and counterparties. At 31 December 2005, 90% of the Issuer's real estate portfolio was secured by real estate (equals 60% of the secured obligations). If the value of the collateral securing the loan portfolio declines, the Issuer will be exposed to higher credit risk and increased risk of non-recovery in the event that any of its loans fail to perform. At 31 December 2005, the Issuer's balance of possible bad debt provisions was € 54 million (equalling 0.70% of the portfolio). However, the Issuer cannot provide assurances that its level of provisions will be adequate or that it will not have to make significant additional provisions for possible bad and doubtful debts in future periods.

The introduction in 2007 of the general agreement of the Basel Committee for Bank Supervision for the International Convergence of Capital Measurement and Capital Standards of June 2004, or "Basel II", is likely to bring changes to the Issuer's capital ratios. The Issuer expects possible negative effects with regard to costs, profitability and other consequences.

Declining financial markets in Germany, Europe, the United States and around the world, changed interest rates due to factors beyond the Issuer's control (e.g. monetary policy) may result in a reduction of the Issuer's net interest income, the largest source of its revenues, an increase in interest expenses and, as a result, a deterioration of the income situation eroding profitability. In some of the Issuer's business units, volatility or protracted market movements may result in a reduced market activity and decreased liquidity. Such development may lead to material losses if the Issuer cannot close out deteriorating positions in a timely way. Increasing interest rates may lead to a decrease in the demand for loans and thus the sales potential of the Issuer's loans. Decreasing official interest rates could, inter alia, affect the Issuer through, among other things, increased prepayments on its loan and increased competition for deposits. Likewise, a decrease in interest rates may affect the Issuer's ability to issue mortgage-backed securities, securitize parts of its balance sheet or otherwise issue debt securities.

If the Issuer's business environment, risk profile or profitability deteriorates, this could lead to a change in the assessment by the rating agencies. As a result, the Issuer's refinancing costs would rise, while its profitability and competitive situation would be adversely affected.

### ***Risks related to WGZ BANK***

Unforeseen events such as severe natural catastrophes, terrorist attacks or other comparable states of emergency can lead to an abrupt interruption of the WGZ BANK's operations, which can cause substantial expenses and losses. Such events may also make insurance coverage for certain risks unavailable and thus increase the WGZ BANK's risk.

As with most other banks, the WGZ BANK relies heavily on communication and information systems to conduct its business. If, for example, the WGZ BANK's information systems failed, even for a short period of time, it would be unable to close open positions as planned and possibly not carry out customer orders. The damage and costs arising therefrom, including expenses for the recovery of required data, may cause considerable costs and customer losses despite existing backup systems and emergency plans, which might in turn lead to a material deterioration of the WGZ BANK's financial situation and operating result.

The introduction in 2007 of the general agreement of the Basel Committee for Bank Supervision for the International Convergence of Capital Measurement and Capital Standards of June 2004, or "Basel II", is likely to bring changes to the WGZ BANK's capital ratios. The WGZ BANK expects possible negative effects with regard to costs, profitability and other consequences.

If WGZ BANK's business environment, risk profile or profitability deteriorates, this could lead to a change in the assessment by the rating agencies. As a result, WGZ BANK's refinancing costs would rise, while its profitability and competitive situation would be adversely affected.

### ***Risks Related to Securities***

The risks related to securities will generally include the following types of risks.

The market for debt securities issued by German companies and banks is influenced by economic and market conditions in Germany and, to varying degrees, market conditions, interest rates, currency exchange rates and inflation rates in other European and other industrialised countries.

The rating of the Issuer reflects its creditworthiness as determined by the respective rating agency. If the rating changes, this may have an adverse effect on the price of a Non Equity Security.

There can be no assurance that an active trading market will develop or be maintained for all Non Equity Securities. If an active trading market for the Non Equity Securities does not develop or is not maintained, the market or trading price of the Non Equity Securities and the possibility to sell the Non Equity Securities at any time may be adversely affected.

When Non Equity Securities are purchased or sold, several types of incidental and consequential costs (including transaction fees, commissions and deposit fees) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the profit potential of the Non Equity Securities.

Payments of interest on the Non Equity Securities, or profits realised by the Noteholder upon the sale or repayment of the Non Equity Securities, may be subject to taxation in its home jurisdiction or in other jurisdictions in which it is required to pay taxes. Any interest paid may only be invested at the market interest rate applicable from time to time, which may not have developed as expected.

If the purchase of Non Equity Securities is financed through loans and there is a subsequent delay or failure in payments of the Issuer with regard to the Non Equity Securities or the price decreases considerably, the Noteholder does not only have to accept the loss incurred but also pay interest on and redeem the loan. This may considerably increase the risk of loss. An investor should not rely on the prospect of being able to redeem the loan out of transaction profits.

The terms and conditions of Non Equity Securities may contain early redemption provisions for the Issuer or the noteholders. Upon exercise, the Non Equity Securities would be released prior to their maturity.

The premature redemption of a Non Equity Security may lead to negative deviations from the expected return and the repaid nominal amount of the Non Equity Securities is lower than the purchase price paid by the Noteholder and thus the invested capital is lost partially or completely.

Furthermore, there is the possibility that investors may invest the amounts received upon termination only at a rate of return which is lower than that of the terminated Non Equity Securities.

Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods.

The interest income of Reverse Floating Rate Notes is calculated in reverse proportion to the reference rate: if the reference rate increases, interest income decreases whereas it increases if the reference rate decreases. Investors are exposed to a high risk if the market interest rates are about to increase, even if short-term interest rates decrease. In this case, increasing interest income cannot adequately offset the decrease in the reverse floater's price because such decrease is disproportionate.

Changes in market interest rates have a substantially stronger impact on the prices of zero coupon bonds than on the prices of ordinary bonds because the discounted issue prices are substantially below par, which is due to the discounting.

As purchasers of foreign currency bonds, investors are additionally exposed to the risk of changing foreign exchange rates.

In the event of any insolvency or liquidation of the Issuer, holders of Subordinated Notes will receive payments on any outstanding Subordinated Notes only after senior Noteholders and other senior creditors have been repaid in full, if and to the extent that there is still cash available for those payments. Thus, holders of Subordinated Notes generally face a higher performance risk than holders of senior Notes.

An investment in derivative Notes will always comprise the risk that the interest and the invested capital may be lost completely or partly.

An investment in derivative Notes entails substantial risks. Therefore, an investment requires exact knowledge of the respective transaction. Investors should have reasonable knowledge of and experience in financial and business matters and be experienced with investments in the reference assets (e.g. shares, indices and baskets) and know the associated risks.

The currency, commodity, stock, bond or other index or value or basket of reference assets underlying a derivative Note may be subject to considerable changes, due to their composition or fluctuations in value of their components. A derivative Note referring to more than one reference asset or to formulas may have a cumulative or even potentiated risk compared to a note which is only related to one reference asset. Investors may not be able to secure themselves against these different risks with regard to derivative Notes. A material market disruption could lead to a substitution of the reference asset or a premature termination of the Note, so that the risks may be realised prematurely or any original chances are lost and new risks may be added.

Furthermore, the value of the derivative Notes, as it is dependent on one or several reference assets, will accordingly also be subject to cumulative risks in the Secondary Market. The performance of the respective reference asset is subject to a series of associated factors, including economic, financial and political events beyond the control of the Issuer.

If the formula used to determine the amount of principal, premium and/or interest payable with respect to derivative Notes contains a multiplier or leverage factor or maximum/minimum interest or repayment limits, the effect of any change in the applicable reference asset will be increased with regard to the amount payable. The historical performance of the reference asset may not be regarded as significant for the future performance during the term of derivative Notes.

The Issuer may enter into transactions for its own account or for account of customers, which also relate to "reference assets" under the derivative Notes. On the issue date of the derivative Notes or thereafter, the Issuer and its affiliated companies may have information with regard to the reference assets which may be material to the holders of derivative Notes and which may not be accessible to the public or known to Noteholders.

### **Pfandbriefe**

The Terms and Conditions of the Notes which apply to Pfandbriefe will not contain any events of default and will not be issued with the benefit of an investor put option. Furthermore, in the event of the imposition of a withholding or deduction by way of tax on interest payments under the Pfandbriefe, no additional amounts will be paid to investors so that investors will receive interest payments net of such withholding or deduction. In addition, Pfandbriefe are subject to the same risks set forth above.

## Summary of the Offering

### Reasons for the Offering

Under the Programme, to refinance its lending business, the Issuer will issue bearer bonds ("Standard Notes"), derivative notes, including derivative notes of no par value (collectively, "derivative Notes" and together with the Standard Notes, the "Notes"), each subordinated or unsubordinated, as well as Pfandbriefe (collectively, "Pfandbriefe" and together with the Notes, "Non Equity Securities"), each governed by German law.

### Offering Statistics and Estimated Timetable

During the duration of this Base Prospectus, the Issuer will continuously issue notes within the framework of this programme. The terms and conditions as well as the time frame for each issuance of Non Equity Securities will be set forth in the applicable Final Terms within the meaning of Art. 26 No. 5 of the Commission Regulation (EC) No. 809/2004 dated 29 April 2004 (each, "Final Terms").

### Use of Proceeds

The proceeds of each issuance of Notes will be used for the Issuer's corporate objects according to its Articles of Association.

### Details Regarding the Programme

Issuer:	WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG.
Type of Programme:	Programme for the issue of Non Equity Securities governed by German law. Under the Programme, the Issuer may issue Standard Notes in the form of fixed or floating rate Notes, zero coupon Notes, Notes having derivative interest rate structures, (interest linked to reference assets such as formulas, CMS (Constant Maturity Swap) rates, shares, share baskets, indices and index baskets, currencies or other reference assets) subordinated or unsubordinated Notes, and derivative Notes, whose interest rate and/or redemption amount is determined by reference to one or more reference assets (such as formulas, CMS rates, shares, share baskets, index and index baskets, currencies or other reference assets) and Pfandbriefe with fixed and variable interest rates.
Arranger:	Dresdner Bank AG (appearing on the cover page with its marketing name "Dresdner Kleinwort Wasserstein") and WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank (appearing on the cover page with its marketing name "WGZ BANK").
Dealer:	<p>The Notes will be distributed through Dealers pursuant to underwriting agreements or on the basis of bilateral agreements with or without the involvement of Dealers. The following banks may act as Dealers in addition to the Issuer (appearing on the cover page with its marketing name "WL-BANK"):</p> <p>ABN AMRO Bank N.V. (appearing on the cover page with its marketing name "ABN AMRO"),</p> <p>Barclays Bank PLC (appearing on the cover page with its marketing name "Barclays Capital"),</p> <p>Bayerische Hypo- und Vereinsbank AG (appearing on the cover page with its marketing name "HVB Corporates &amp; Markets"),</p>

Citigroup Global Markets Limited (appearing on the cover page with its marketing name "Citigroup"),

Commerzbank AG (appearing on the cover page with its marketing name "Commerzbank Corporates & Markets"),

Deutsche Bank Aktiengesellschaft (appearing on the cover page with its marketing name "Deutsche Bank"),

Dresdner Bank AG (appearing on the cover page with its marketing name "Dresdner Kleinwort Wasserstein"),

DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main (appearing on the cover page with its marketing name "DZ BANK AG"),

HSBC Bank plc (appearing on the cover page with its marketing name "HSBC"),

Landesbank Baden-Württemberg,

Morgan Stanley & Co. International Limited (appearing on the cover page with its marketing name "Morgan Stanley"),

UBS Limited (appearing on the cover page with its marketing name "UBS Investment Bank"), and

WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank (appearing on the cover page with its marketing name "WGZ BANK").

The Issuer may appoint new Dealers in addition to the Programme Dealers set out above in accordance with the provisions of the Dealer Agreement relating to the Programme among the Dealers, the Issuer and the Arrangers ("Dealer Agreement") in relation to the Programme as a whole or in relation to one or more tranches.

Programme Limit:	The aggregate principal amount of outstanding Notes may not exceed the Programme Limit of EUR 15,000,000,000 (or the relevant equivalent in foreign currency).
Offer:	The Issuer may offer Non Equity Securities to the public pursuant to underwriting agreements or bilateral agreements or place the Non Equity Securities privately with or without an applicable subscription period. The details relating to each offer will be set out in the relevant Final Terms.
Issue Price:	The Issue Price for the Non Equity Securities issued under any tranche will be specified in the relevant Final Terms.
Issue Currencies:	EUR or any currency specified in the relevant Final Terms in relation to any tranche, in each case in compliance with applicable statutory provisions and exchange controls.
Maturities:	The maturities of the Non Equity Securities issued under any tranche will be specified in the relevant Final Terms.

Interest in the case of Standard Notes:	Notes may be issued in the form of non-interest bearing Notes, Notes with fixed or floating rates, Notes with a derivative interest rate structure linked to a reference asset (interest linked to reference assets such as formulas, CMS rates, shares, share baskets, indices and index baskets, currencies or other reference assets), or Notes with maximum or minimum interest, as specified in the relevant Final Terms. The interest methods referred to above may be combined for different interest periods of a Note.
Interest in the case of derivative Notes:	Notes may be issued in the form of non-interest bearing Notes, Notes with fixed rates, or Notes with a derivative interest rate structure linked to one or more reference assets (interest linked to reference assets such as formulas, CMS rates, shares, share baskets, indices and index baskets, currencies or other reference assets), as specified in the relevant Final Terms.
Interest in the case of Pfandbriefe:	Pfandbriefe may be issued in the form of non-interest bearing notes, notes with fixed or variable rates as well as with maximum or minimum interest rates. The interest rate methods referred to above may be combined for different interest periods of a Mortgage Bond.
Final Terms:	The final terms will in each case be specified in the relevant Final Terms which will be made available to investors in accordance with Section 14 of the German Securities Prospectus Act ( <i>Wertpapierprospektgesetz</i> ). The relevant Final Terms should be read in conjunction with Base Prospectus and its supplements and the documents incorporated by reference.
Withholding Tax:	All payments of principal and interest will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by Germany (as the case may be) or any political subdivision or any authority of Germany (as the case may be) that has power to tax. If such withholding or deduction is required by law, the Issuer will – subject to several exemptions– pay such additional amounts as a Noteholder would have received if no such withholding or deduction had been required. In the case of Pfandbriefe, no such additional amounts will be paid, even if such amounts are withheld due to legislation of any authority of Germany.
Form of the Notes:	The Non Equity Securities will be issued as bearer Notes ( <i>Inhaberschuldverschreibungen</i> ) governed by German law. Unless otherwise stated in the Final Terms, Notes will be represented by a Permanent Global Note. If elected in the applicable Final Terms, Non Equity Securities will be represented by a Temporary Global Note, and after 40 days from issuance, they will be exchangeable into a Permanent Global Note. Definitive securities will not be issued, unless the Final Terms provide for the issue of definitive securities.
Denomination:	The Non Equity Securities will be issued in the denominations specified in the relevant Final Terms in the case of Standard Notes and Pfandbriefe and, in the case of derivative Notes either as no-par value securities or in the denominations specified in the relevant Final Terms.
Use of Proceeds:	The net proceeds from each issue of the Non Equity Securities under the Programme will be used by the Issuer for general banking purposes as set out in its by-laws.



Redemption in the case of Standard Notes:	The Standard Notes will be redeemed at maturity at 100 % or more of their principal amount. In the case of zero coupon Notes, the redemption amount upon early redemption will be equal to the net present value of the zero coupon Note at the redemption date.
Redemption in the case of derivative Notes:	The redemption amount of the derivative Notes is determined by reference to reference assets to which the derivative Note is linked. Due to the linkage to a reference asset, investors may receive less than their amount invested or, in extreme cases, suffer a total loss of their amount invested. These may be a limit to the degree in which the reference asset affects the derivative Note. The specific relation between the relevant reference asset and the derivative Notes is specified in the relevant Final Terms.
Reference Assets in the case of derivative Notes:	Reference assets may include formulas, CMS rates, shares, share baskets, indices or index baskets or currencies and other reference assets, as specified in the relevant Final Terms.
Redemption in the case of Pfandbriefe:	Pfandbriefe will be redeemed on maturity at 100% or more of their principal amount. The early redemption amount of zero coupon Pfandbriefe equals the cash value of the zero coupon Pfandbriefe when due.
Rights of Early Redemption in the case of Notes:	The Issuer may not redeem the Notes early and the Noteholders may not require early redemption of the Notes, unless the relevant Final Terms provide for early redemption rights ( <i>ordentliche Kündigungsrechte</i> ) and unless an event of default or any other extraordinary termination event ( <i>außerordentlicher Kündigungsgrund</i> ) has occurred.
Rights of Early Redemption in the case of Pfandbriefe:	The Issuer may not redeem the Pfandbriefe early and the Mortgage Bond holders may not require early redemption of the Notes, unless in case of Pfandbriefe, the relevant Final Terms provide for early redemption rights ( <i>ordentliche Kündigungsrechte</i> ) for the Issuer.
Status and Ranking:	The Non Equity Securities may be issued either as subordinated or unsubordinated Non Equity Securities, as specified in the relevant Final Terms. Pfandbriefe will be issued unsubordinated and will be secured according to the German Mortgage Bond Act ( <i>Pfandbriefgesetz</i> ).
Stock Exchange Listing and Trading:	If so provided in the relevant Final Terms, the Issuer will apply for the Notes to be admitted to listing on the official market ( <i>Amtlicher Markt</i> ) of the Düsseldorf Stock Exchange.
Terms and Conditions of the Notes:	The Terms and Conditions are comprised by the General Terms and Conditions, the Special Terms and Conditions and applicable Law Conditions. In the relevant Final Terms, the relevant applicable terms will be specified, or at the option of the Issuer the relevant Final Terms will be drafted as consolidated Terms and Conditions.
Basis of Authorisation:	The Programme was authorised by the Issuer's Management Board, the lawfully competent corporate body under the Issuer's by-laws on 15 July 2005 and the update of the Programme was authorised by the Issuer's Management Board, the lawfully competent corporate body under the Issuer's by-laws on 3 March 2006.
Fiscal Agent:	WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG.
Paying Agent:	WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank.

Calculation Agent:	WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank or any other agent as determined in the Final Terms.
Selling Restrictions:	<p>Each issue of Non Equity Securities will be made in accordance with the laws, regulations and legal decrees and any restrictions applicable in the relevant jurisdiction.</p> <p>Any offer and sale of Non Equity Securities is subject to the selling restrictions in particular in the member states to the Agreement on the European Economic Area (EEA), in the United States and the United Kingdom. Further restrictions applicable to any issue of Non Equity Securities may be set out in the relevant Final Terms and must be observed, irrespective of the description in the Final Terms.</p>
Governing Law and Jurisdiction:	The Non Equity Securities are governed by German law.
Custody:	For the duration of their term, the Non Equity Securities will be deposited as Global Notes at Clearstream Banking AG, Frankfurt am Main, or a common depositary to Clearstream Banking, société anonyme, Luxembourg, and Euroclear Bank S.A./N.V., Brussels, as operator of the Euroclear system or another clearing system specified in the Final Terms.

## **Deutsche Übersetzung der Summary**

*Die nachfolgende Zusammenfassung ist als Einführung zu diesem Basisprospekt (nachfolgend auch "Prospekt") zu verstehen. Die Zusammenfassung ist im Zusammenhang mit dem gesamten Inhalt des Basisprospektes und den durch Verweis einbezogenen Dokumenten sowie etwaigen Nachträgen zu lesen. Eine Anlageentscheidung sollte daher nicht allein auf diese Zusammenfassung gestützt, sondern erst nach Studium des Basisprospektes und der durch Verweis einbezogenen Dokumente sowie etwaiger Nachträge und der Endgültigen Bedingungen getroffen werden, die im Zusammenhang mit der Emission von Nicht-Dividendenwerten veröffentlicht werden. Die WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG (nachfolgend "WL-BANK" oder "Emittentin") haftet nur für den Inhalt dieser Zusammenfassung, falls die Zusammenfassung irreführend, unrichtig oder widersprüchlich ist, wenn sie im Zusammenhang mit dem Basisprospekt gelesen wird. Jeder Anleger sollte sich darüber bewusst sein, dass er für den Fall, dass er vor einem Gericht Ansprüche auf Grund der in diesem Basisprospekt enthaltenen Informationen geltend macht, in Anwendung einzelstaatlicher Vorschriften des Mitgliedsstaates des Europäischen Wirtschaftsraumes die Kosten für die Übersetzung des Basisprospektes vor Prozeßbeginn zu tragen haben könnte.*

*Dieser Basisprospekt wurde in englischer Sprache abgefasst und von der Bundesanstalt für Finanzdienstleistungsaufsicht in Bezug auf Vollständigkeit, Kohärenz und Verständlichkeit geprüft. Die Endgültigen Bedingungen sehen vor, dass in Bezug auf eine bestimmte Serie von Schuldverschreibungen entweder die englische Sprachfassung der Emissionsbedingungen oder die deutsche Sprachfassung der Emissionsbedingungen verbindlich ist.*

## **Zusammenfassung in Bezug auf die WL-BANK**

### **Vorstands- und Aufsichtsratsmitglieder**

Der Vorstand der Emittentin besteht satzungsgemäß mindestens aus zwei Mitgliedern. Der Aufsichtsrat bestimmt die Anzahl der Vorstandsmitglieder und bestellt sie. Mitglieder des Vorstandes sind derzeit: Günter Lampe, Helmut Rausch und Dr. Thomas Sommer.

Der Aufsichtsrat der Emittentin besteht satzungsgemäß aus elf Mitgliedern. Der Aufsichtsrat wählt aus seiner Mitte einen Vorsitzenden und einen stellvertretenden Vorsitzenden. Mitglieder des Aufsichtsrates sind derzeit: Franz-Josef Möllers (Vorsitzender), Werner Böhnke (stellvertretender Vorsitzender), Dr. Wolfgang Baecker, Hans-Willi Gehr, Günter Jobs, Alfons Licher, Nicole Menke, Rainer Peters, Rolf Schönherr, Werner Schulze Esking und Thomas Ullrich.

### **Abschlussprüfer**

Der Jahresabschluss des Geschäftsjahres 2004 wurde vom Deutschen Genossenschafts- und Raiffeisenverband e.V., Pariser Platz 3, 10117 Berlin geprüft und ist mit einem uneingeschränkten Bestätigungsvermerk versehen worden. Der Deutsche Genossenschafts- und Raiffeisenverband e.V. ist Mitglied im Institut für Wirtschaftsprüfer in Deutschland e.V., 40474 Düsseldorf. Der Jahresabschluss für das Geschäftsjahr 2005 wurde von der DGR Deutsche Genossenschafts-Revision Wirtschaftsprüfungsgesellschaft GmbH, Adenauerallee 121, 53113 Bonn geprüft und ist mit einem uneingeschränkten Bestätigungsvermerk versehen worden. Die DGR Deutsche Genossenschafts-Revision Wirtschaftsprüfungsgesellschaft GmbH ist Mitglied im Institut der Wirtschaftsprüfer e.V. (IDW), 40474 Düsseldorf.

## **Informationen über die Emittentin**

### ***Gegenstand des Unternehmens***

Gegenstand des Unternehmens der Emittentin ist das Immobilien- und Kommunalkreditgeschäft sowie die Emission von Schuldverschreibungen nach dem Pfandbriefgesetz.

### ***Überblick***

Die Haupttätigkeitsbereiche der Emittentin sind die Vergabe von Immobilienkrediten und Kommunaldarlehen sowie die Ausgabe von Pfandbriefen.

Der Schwerpunkt des Immobilienkreditgeschäfts liegt in der Finanzierung wohnwirtschaftlich genutzter Objekte. Im Kommunal- und Staatskreditgeschäft ist die Vergabe von Krediten an den Bund, die Länder sowie Städte und Gemeinden, an inländische Körperschaften und Anstalten des öffentlichen Rechts sowie an Mitgliedsstaaten der Europäischen Union bzw. des Europäischen Wirtschaftsraums, deren Regionalregierungen und örtliche Gebietskörperschaften sowie an sonstige, nach dem Pfandbriefgesetz als Deckung für Pfandbriefe verwendbare Schuldner der Schwerpunkt der Aktivität der Emittentin.

### **Hauptaktionäre**

Zum Zeitpunkt dieses Basisprospekts hält die WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank (nachfolgend "WGZ BANK") 90,19% des Grundkapitals der Emittentin, und zwar 0,284% als direkte Beteiligung und 89,90% über die 100%ige Tochter Wegeno Verwaltungsgesellschaft mbH. Das verbleibende Grundkapital befindet sich im Besitz der Stiftung Westfälische Landschaft (4,62%) sowie der Volksbanken und Raiffeisenbanken (5,194%).

### **Tendenzinformationen**

Die Emittentin erklärt, dass es seit der Veröffentlichung des letzten geprüften Jahresabschlusses keine wesentlichen negativen Veränderungen in den Aussichten der Emittentin gegeben hat.

## Zusammenfassung ausgewählter Finanzinformationen

Die Jahresabschlüsse der Emittentin wurden nach den Grundsätzen ordnungsgemäßer Buchführung gemäß HGB (Handelsgesetzbuch) erstellt.

Die folgenden Tabellen enthalten eine Zusammenfassung bestimmter Finanzinformationen über die Emittentin für die Geschäftsjahre 2005 und 2004, jeweils zum Jahresultimo. Die nachstehende Zusammenfassung ist den geprüften Jahresabschlüssen für die Jahre zum 31. Dezember 2005 und 2004 entnommen.

	<b>Zum 31 December</b>	
	<b>2005</b>	<b>2004</b>
	<b>(in Tausend Euro)</b>	
<b>Angaben aus der Jahresbilanz</b>		
Forderungen an Kreditinstitute .....	5.818.064	4.239.161
Forderungen an Kunden .....	16.609.154	14.793.461
Schuldverschreibungen und andere		
Festverzinsliche Wertpapiere .....	9.021.486	6.788.191
Verbindlichkeiten gegenüber Kreditinstituten .....	4.500.215	3.629.077
Verbindlichkeiten gegenüber Kunden .....	7.501.568	5.790.156
Verbriefte Verbindlichkeiten .....	19.156.713	16.057.724
Nachrangige Verbindlichkeiten.....	112.406	110.302
Genussrechtskapital.....	79.678	84.790
Eigenkapital.....	301.314	292.560
Bilanzsumme.....	31.791.375	26.083.525

	<b>Zum 31 December</b>	
	<b>2005</b>	<b>2004</b>
	<b>(in Tausend Euro)</b>	
<b>Angaben nach § 28 Pfandbriefgesetz</b>		
Deckungshypotheken.....	6.049.850	5.818.656
Kommunaldarlehen .....	21.657.897	17.513.254
Hypothekendarlehen Überdeckung.....	379.545	385.301
Öffentliche Pfandbriefe Überdeckung .....	746.964	1.056.217

## Kapitalausstattung und Verbindlichkeiten

Die folgenden Tabellen enthalten die Kapitalausstattung der Emittentin zum 31. Dezember der Jahre 2005 und 2004 die auf den geprüften Jahresabschlüssen für die Jahre zum 31. Dezember 2005 und 2004 basieren.

Verbindlichkeiten	Zum 31. Dezember	
	2005	2004
	(in Tausend Euro)	
<b>Kurzfristige Verbindlichkeiten</b> .....	<b>5.840.516</b>	<b>5.297.642</b>
Verbriefte Verbindlichkeiten (vor Ablauf eines Jahres fällig) ...	3.333.281	2.900.757
Kurzfristige Verbindlichkeiten (vor Ablauf eines Jahres fällig)	2.507.235	2.396.885
<b>Langfristige Verbindlichkeiten</b> .....	<b>25.317.980</b>	<b>20.179.315</b>
Verbriefte Verbindlichkeiten (nach Ablauf eines Jahres fällig)	15.823.432	13.156.967
Langfristige Verbindlichkeiten (nach Ablauf eines Jahres fällig)	9.494.548	7.022.348
<b>Treuhandverbindlichkeiten</b> .....	<b>23.824</b>	<b>27.343</b>
<b>Sonstige Verbindlichkeiten</b> .....	<b>29.579</b>	<b>24.756</b>
<b>Rechnungsabgrenzungsposten</b> .....	<b>61.612</b>	<b>50.091</b>
<b>Rückstellungen</b> .....	<b>24.467</b>	<b>16.726</b>
Für Pensionen u.ä. Verpflichtungen .....	9.585	7.343
Steuerrückstellungen .....	5.191	1.096
andere Rückstellungen .....	9.691	8.287

Eigenkapitalausstattung	Zum 31. Dezember	
	2005	2004
	(in Tausend Euro)	
<b>Nachrangige Verbindlichkeiten</b> .....	<b>112.406</b>	<b>110.302</b>
<b>Genussrechtskapital</b> .....	<b>79.678</b>	<b>84.790</b>
<b>Eigenkapital</b> .....	<b>301.314</b>	<b>292.560</b>
gezeichnetes Kapital .....	85.376	85.376
Kapitalrücklagen .....	153.108	153.108
Gewinnrücklagen .....	48.100	41.160
Gesetzliche Rücklagen .....	700	700
Andere Gewinnrücklagen .....	47.400	40.460

## **Zusammenfassung in Bezug auf die WGZ BANK**

Die WGZ BANK hat zugunsten der Emittentin eine Patronatserklärung abgegeben, wonach die WGZ BANK erklärt hat in Höhe ihrer Anteilsquote dafür Sorge zu tragen, dass die Emittentin – abgesehen von politischen Risiken – in der Weise geleitet und ausgestattet wird, dass sie stets in der Lage ist, allen ihren Verbindlichkeiten fristgerecht nachzukommen, die während der Beteiligung der WGZ BANK an der Emittentin begründet wurden. Nachfolgend wird daher die WGZ BANK dargestellt:

### **Vorstands- und Aufsichtsratsmitglieder**

Die Organe der WGZ BANK sind der Vorstand, der Aufsichtsrat und die Hauptversammlung. Der Vorstand führt die Geschäfte der WGZ BANK in eigener Verantwortung nach Maßgabe der Gesetze, der Satzung und einer vom Vorstand aufgestellten Geschäftsordnung, der der Aufsichtsrat zugestimmt hat. Zwei Vorstandsmitglieder oder ein Vorstandsmitglied gemeinsam mit einem Prokuristen können rechtsverbindlich für die WGZ BANK zeichnen und Erklärungen abgeben. Der Vorstand besteht satzungsgemäß aus mindestens vier Mitgliedern, die vom Aufsichtsrat bestellt werden.

### **Abschlussprüfer**

Die Jahresabschlüsse sowie die Konzernjahresabschlüsse für die Geschäftsjahre 1993 bis 2005 wurden durch den Deutscher Genossenschafts- und Raiffeisenverband e.V. (DGRV), Pariser Platz 3, 10117 Berlin, geprüft und mit uneingeschränktem Bestätigungsvermerk versehen. Der DGRV ist Mitglied im Institut der Wirtschaftsprüfer in Deutschland e.V. (IDW), 40474 Düsseldorf.

## **Informationen über die WGZ BANK**

### ***Gegenstand des Unternehmens***

Die WGZ BANK ist die Zentralbank von 242 Volksbanken und Raiffeisenbank in Nordrhein-Westfalen sowie in den Regierungsbezirken Koblenz und Trier von Rheinland-Pfalz. Mit diesen Mitgliedsbanken bildet sie den Regionalen Finanz Verbund. Die Förderung und Stärkung der Wettbewerbsfähigkeit dieser Hauptkundengruppe sind wesentliches Unternehmensziel der WGZ BANK.

### ***Überblick***

Die WGZ BANK ist eine Aktiengesellschaft deutschen Rechts. Der Sitz der WGZ BANK ist Ludwig-Erhard-Allee 20, 40227 Düsseldorf, Bundesrepublik Deutschland. Die Gesellschaft ist unter 0211/778-00 telefonisch erreichbar. Der kommerzielle Name lautet "WGZ BANK" oder "WGZ BANK – Die Initiativbank".

Die WGZ BANK entstand 1970 als eingetragene Genossenschaft aus der Verschmelzung der 1884 gegründeten Ländlichen Centalkasse, Münster, der 1892 gegründeten Genossenschaftlichen Zentralbank Rheinland, Köln, und der 1897 Zentralkasse Westdeutscher Volksbanken Köln/Münster. Die Generalversammlung der WGZ BANK hat am 10. Juni 2005 einen Rechtsformwandel von der eingetragenen Genossenschaft zur Aktiengesellschaft beschlossen. Die WGZ BANK wurde am 26. August 2005 in das Handelsregister des Amtsgerichts Düsseldorf unter der Nummer HRB 52363 eingetragen.

### **Hauptaktionäre und Geschäfte**

Eigentümer einer Aktiengesellschaft sind deren Aktionäre. Das Grundkapital der WGZ BANK wird von Volks- und Raiffeisenbanken aus der Region (Mitgliedsbanken), anderen Kreditinstituten,

Waren- und Dienstleistungsgenossenschaften und genossenschaftlichen Unternehmen anderer Rechtsformen sowie sonstigen Aktionären gehalten.

### Tendenzinformation

Seit Veröffentlichung der letzten geprüften Jahresabschlüsse sind keine wesentlichen negativen Veränderungen in den Aussichten der WGZ BANK und in der WGZ BANK Gruppe eingetreten.

## WGZ BANK im Überblick

31.12.	2003	2004	2005		Veränderung
In Mio. EUR					%
<b>Aktiva</b>					
Forderungen an					
angeschlossene Kreditinstitute	10.259	10.360	<b>10.297</b>	-63	-0,6
andere Kreditinstitute	6.668	5.746	<b>7.413</b>	1.667	29,0
Kunden	7.256	6.421	<b>6.227</b>	-194	-3,0
Wertpapiere	7.512	9.419	<b>9.984</b>	565	6,0
Beteiligungen und Anteile					
an verbundenen Unternehmen	1.850	2.010	<b>2.120</b>	110	5,5
Sonstige Aktiva	642	528	<b>513</b>	-15	-2,8
<b>Passiva</b>					
Verbindlichkeiten gegenüber					
angeschlossenen Kreditinstituten	8.897	9.990	<b>8.785</b>	-1.205	-12,1
anderen Kreditinstituten	14.161	13.337	<b>14.129</b>	792	5,9
Kunden	3.580	3.671	<b>4.528</b>	857	23,3
Verbriefte Verbindlichkeiten	4.758	4.643	<b>5.639</b>	996	21,5
Nachrangige Verbindlichkeiten	348	343	<b>331</b>	-12	-3,5
Genussrechtskapital	457	441	<b>390</b>	-51	-11,6
Fonds für allgemeine Bankrisiken	360	360	<b>426</b>	66	18,3
Gezeichnetes Kapital	522	529	<b>605</b>	76	14,4
Rücklagen	672	708	<b>946</b>	238	33,6
Bilanzgewinn	25	32	<b>63</b>	31	96,9
Sonstige Passiva	407	430	<b>712</b>	282	65,6
<b>Bilanzsumme</b>	<b>34.187</b>	<b>34.484</b>	<b>36.554</b>	<b>2.070</b>	<b>6,0</b>



<b>31.12.</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>		<b>Veränderung</b>
<b>In Mio. EUR</b>					<b>%</b>
Eventualverbindlichkeiten	812	1.286	<b>1.663</b>	377	29,3
<b>Geschäftsvolumen</b>	34.999	35.770	<b>38.217</b>	2.447	6,8
<b>Derivate - Nominalvolumen -</b>	92.979	98.165	<b>127.640</b>	29.475	30,0
<b>Kernkapital</b>	<b>1.554</b>	<b>1.597</b>	<b>1.999*</b>	<b>402</b>	<b>25,2</b>
<b>Haftende Eigenmittel</b>	2.297	2.304	<b>2.352*</b>	48	2,1
<b>Gesamtkennziffer (in Prozent)</b>	18,4	18,1	<b>16,5</b>		
* Nach Gewinnverwendung					

## WGZ BANK - Konzern im Überblick

31.12.	2003	2004	2005		Veränderung
In Mio. EUR					%
<b>Aktiva</b>					
Forderungen an					
angeschlossene Kreditinstitute	11.892	11.941	<b>11.699</b>	-242	-2,0
andere Kreditinstitute	10.478	10.286	<b>13.043</b>	2.757	26,8
Kunden	21.112	21.693	<b>23.247</b>	1.554	7,2
Wertpapiere	15.469	19.834	<b>23.031</b>	3.197	16,1
Beteiligungen und Anteile					
an verbundenen Unternehmen	1.241	1.342	<b>1.413</b>	71	5,3
Sonstige Aktiva	1.072	1.036	<b>1.151</b>	115	11,1
<b>Passiva</b>					
Verbindlichkeiten gegenüber					
angeschlossenen Kreditinstituten	9.245	10.505	<b>9.357</b>	-1.148	-10,9
anderen Kreditinstituten	20.535	20.336	<b>21.918</b>	1.582	7,8
Kunden	9.505	10.340	<b>13.210</b>	2.870	27,8
Verbriefte Verbindlichkeiten	18.877	21.772	<b>25.316</b>	3.544	16,3
Nachrangige Verbindlichkeiten	476	476	<b>465</b>	-11	-2,3
Genussrechtskapital	541	526	<b>460</b>	-66	-12,5
Fonds für allgemeine Bankrisiken	208	212	<b>212</b>	0	0,0
Gezeichnetes Kapital	522	529	<b>605</b>	76	14,4
Rücklagen	685	728	<b>975</b>	247	33,9
Anteile in Fremdbesitz	31	38	<b>41</b>	3	7,9
Konzerngewinn	57	75	<b>132</b>	57	76,0
Sonstige Passiva	582	595	<b>893</b>	298	50,1
<b>Bilanzsumme</b>					
	61.264	66.132	<b>73.584</b>	7.452	11,3
Eventualverbindlichkeiten	751	1.221	<b>1.645</b>	424	34,7
<b>Geschäftsvolumen</b>					
	62.015	67.353	<b>75.229</b>	7.876	11,7
<b>Derivate - Nominalvolumen -</b>					
	106.107	116.128	<b>152.019</b>	35.891	30,9

<b>31.12.</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>		<b>Veränderung</b>
<b>In Mio. EUR</b>					<b>%</b>
<b>Kernkapital</b>	1.455	1.525	<b>1.905</b>	380	24,9
<b>Haftende Eigenmittel</b>	2.052	2.073	<b>2.087</b>	14	0,7
<b>Gesamtkennziffer (in Prozent)</b>	11,5	11,1	<b>10,2</b>		

## **Zusammenfassung der Risikofaktoren**

Der Erwerb von unter dem Angebotsprogramm begebenen Inhaberschuldverschreibungen, derivativen Schuldverschreibungen und Pfandbriefen (zusammen "Nicht-Dividendenwerte") ist mit den im Folgenden zusammengefassten Risiken verbunden. Spezifische zusätzliche Risiken der im Einzelfall begebenen Nicht-Dividendenwerte werden in den jeweiligen Endgültigen Bedingungen dargestellt. Diese müssen daher immer mit in die Risikobetrachtung einbezogen werden. In diesem Zusammenhang sollten Anleger auch die in diesem Prospekt und in den die Emission betreffenden Endgültigen Bedingungen enthaltenen Informationen über die Emittentin, die Wertpapiere sowie über Risikofaktoren für die Anlageentscheidung heranziehen.

Anleger sollten bei der Entscheidung über einen Erwerb von Nicht-Dividendenwerten zunächst ihre jeweilige finanzielle Situation und ihre Anlageziele berücksichtigen und die Eignung solcher Nicht-Dividendenwerte angesichts ihrer persönlichen Umstände immer vor Erwerb mit ihren eigenen Finanz-, Rechts- und Steuerberatern erörtern.

**Sollte eines oder sollten mehrere dieser Risiken eintreten, könnte es zu wesentlichen und nachhaltigen Kursrückgängen der Nicht-Dividendenwerte oder im Extremfall zu einem Totalverlust der Zinsen und des vom Anleger eingesetzten Kapitals kommen.**

### ***Risiken der WL-BANK***

Die von der WGZ BANK zugunsten der Emittentin abgegebene Patronatserklärung stellt keine Garantie dar. Daher resultieren aus ihr keinerlei unmittelbare Zahlungsansprüche seitens der Inhaber der Nicht-Dividendenwerte gegen die WGZ BANK im Fall einer Unfähigkeit der Emittentin, gemäß den Nicht-Dividendenwerten fällige Zahlungen zu leisten. Es besteht keine Garantie, dass die WGZ BANK auch in Zukunft Mehrheitsaktionärin der Emittentin bleiben wird.

Unvorhergesehene Ereignisse wie schwere Naturkatastrophen, Terroranschläge oder sonstige Ereignisse vergleichbaren Ausmaßes können eine Unterbrechung des Geschäftsbetriebes der Emittentin mit erheblichen Kosten und Verluste zur Folge haben. Auch eine Auswirkung auf die Versicherbarkeit eines solchen Ereignisses mit möglichen erhöhten zukünftigen Risiken kann die Folge sein.

Die Geschäftstätigkeit der Emittentin hängt, wie bei Banken üblich, in hohem Maße von funktionierenden Kommunikations- und Datenverarbeitungssystemen ab. Schon bei einem kurzen Ausfall der Datenverarbeitungssysteme könnte die Emittentin offene Positionen nicht wie geplant schließen und Kundenaufträge möglicherweise nicht ausführen. Die dadurch entstehenden Schäden und Kosten, unter anderem auch für die Wiederbeschaffung der notwendigen Daten, könnte trotz vorhandener Backup-Systeme und Notfallpläne beträchtlichen finanziellen Aufwand und Kundenverluste verursachen, die wiederum zu einer wesentlichen Verschlechterung der Finanzlage und des Betriebsergebnisses der Emittentin führen könnten.

In allen Geschäftsbereichen der Emittentin, insbesondere im Pfandbriefgeschäft und dem damit verbundenen Deckungsgeschäft herrscht starker Wettbewerb. Der Schwerpunkt des Immobilien- und Kommunalkreditgeschäfts der Emittentin liegt in Deutschland, einem ausgereiften Markt, auf dem der Wettbewerbsdruck rapide zugenommen hat und zur Zeit einer anhaltend schwachen Wirtschaft mit hoher Arbeitslosigkeit und einer steigenden Zahl an Insolvenzen ausgesetzt ist. Insbesondere im Bankensektor könnte eine anhaltende Konsolidierung den Wettbewerb noch verschärfen. Wenn es der Emittentin nicht gelingen sollte, dem starken Wettbewerb und der Wirtschaftslage in Deutschland und den anderen großen Märkten der Emittentin mit sorgfältiger Schuldnerauswahl und attraktiven und profitablen Produkten und Dienstleistungen zu begegnen, könnte ihre Profitabilität gefährdet sein. Als Pfandbriefbank ist die Emittentin Bonitätsrisiken ausgesetzt. Zum 31. Dezember 2005 sind 90% des Immobilienkreditportfolios im Realkreditbereich besichert (entspricht 60% des Beleihungswertes). Sollte die derzeitige Besicherungsquote sinken, wäre die Emittentin höheren Kredit- und Ausfallrisiken ausgesetzt. Die

Emittentin hat zum 31. Dezember 2005 Wertberichtigungen für voraussichtlich uneinbringliche Forderungen in Höhe von Mio. EUR 54 (entspricht 0.70% des Portfolios) gebildet. Sie kann jedoch nicht garantieren, dass ihre Rückstellungen ausreichend sein werden und dass sie in Zukunft nicht zusätzliche Rückstellungen für etwaige zweifelhafte oder uneinbringliche Forderungen bilden muss.

Die im Jahre 2007 in Kraft tretende Rahmenvereinbarung des Baseler Ausschusses für Bankenaufsicht zur Internationalen Konvergenz der Eigenkapitalmessung und Eigenkapitalanforderungen vom Juni 2004 ("Basel II") wird voraussichtlich zu einer Veränderung der Kapitalquote der Emittentin führen. Die Emittentin stellt sich hinsichtlich Kosten, Profitabilität und sonstigen Auswirkungen auf mögliche negative Folgen ein.

Rückläufige Finanzmärkte in Deutschland, Europa, den USA und weltweit, veränderte Zinssätze auf Grund unbeeinflussbarer Faktoren (z.B. Geldpolitik) können zu einem Rückgang des Zinsüberschusses als wichtigster Ertragsquelle der Emittentin, einer Erhöhung der Zinsausgaben und daraus resultierend zu einer Verschlechterung der Ertragslage mit einer Aushöhlung der Profitabilität führen. In einigen Geschäftsbereichen der Emittentin können Volatilität oder Seitwärtsbewegungen der Märkte zur Folge haben, dass die Markttätigkeit zurückgeht und die Liquidität sinkt. Eine solche Entwicklung kann zu erheblichen Verlusten führen, wenn es der Emittentin nicht rechtzeitig gelingt, die sich verschlechternden Positionen zu liquidieren. Steigende Zinssätze könnten einen Rückgang der Nachfrage nach Krediten und damit der Absatzmöglichkeiten von Krediten der Emittentin zur Folge haben. Sinkende Leitzinsen könnten sich u.a. durch vermehrte vorzeitige Rückzahlungen von Krediten und stärkeren Wettbewerb um Kundeneinlagen auf die Emittentin auswirken. Sinkende Zinssätze können sich auch auf die Begebung von Pfandbriefen oder anderweitige Ausgaben von Schuldtiteln durch die Emittentin nachteilig auswirken.

Sollte sich das Geschäftsumfeld der Emittentin, das Risikoprofil oder die Rentabilität verschlechtern, könnte dies zu einer geänderten Einschätzung der Ratingagenturen führen. Hierdurch könnten sich die Refinanzierungskosten erhöhen, die Rentabilität und die Wettbewerbssituation verschlechtern.

### ***Risiken der WGZ BANK***

Unvorhergesehene Ereignisse wie schwere Naturkatastrophen, Terroranschläge oder sonstige Ereignisse vergleichbaren Ausmaßes können eine Unterbrechung des Geschäftsbetriebes der WGZ BANK mit erheblichen Kosten und Verluste zur Folge haben. Auch eine Auswirkung auf die Versicherbarkeit eines solchen Ereignisses mit möglichen erhöhten zukünftigen Risiken kann die Folge sein.

Die Geschäftstätigkeit der WGZ BANK hängt, wie bei Banken üblich, in hohem Maße von funktionierenden Kommunikations- und Datenverarbeitungssystemen ab. Schon bei einem kurzen Ausfall der Datenverarbeitungssysteme könnte die WGZ BANK offene Positionen nicht wie geplant schließen und Kundenaufträge möglicherweise nicht ausführen. Die dadurch entstehenden Schäden und Kosten, unter anderem auch für die Wiederbeschaffung der notwendigen Daten, könnte trotz vorhandener Backup-Systeme und Notfallpläne beträchtlichen finanziellen Aufwand und Kundenverluste verursachen, die wiederum zu einer wesentlichen Verschlechterung der Finanzlage und des Betriebsergebnisses der WGZ BANK führen könnten.

Die im Jahre 2007 in Kraft tretende Rahmenvereinbarung des Baseler Ausschusses für Bankenaufsicht zur Internationalen Konvergenz der Eigenkapitalmessung und Eigenkapitalanforderungen vom Juni 2004 ("Basel II") wird voraussichtlich zu einer Veränderung der Kapitalquote der WGZ BANK führen. Die WGZ BANK stellt sich hinsichtlich Kosten, Profitabilität und sonstigen Auswirkungen auf mögliche negative Folgen ein.

Sollte sich das Geschäftsumfeld der WGZ BANK, das Risikoprofil oder die Rentabilität verschlechtern, könnte dies zu einer geänderten Einschätzung der Ratingagenturen führen. Hierdurch könnten sich die Refinanzierungskosten erhöhen, die Rentabilität und die Wettbewerbssituation verschlechtern.

### **Wertpapierrisiken**

Die Wertpapierrisiken umfassen im Allgemeinen die folgenden Risikoarten:

Der Markt für von deutschen Unternehmen und Banken begebene Anleihen und deren Kurse wird von volkswirtschaftlichen Faktoren, dem Marktumfeld in Deutschland sowie in unterschiedlichem Umfang von dem Marktumfeld, Zinssätzen, Devisenkursen und Inflationsraten in anderen europäischen und sonstigen Industrieländern beeinflusst.

Das Rating der Emittentin spiegelt deren Bonität nach Einschätzung der jeweiligen Ratingagentur wieder. Bei Ratingveränderungen kann dies negativen Einfluss auf den Kurs eines Nicht-Dividendenwertes haben.

Ein aktiver Markt für den Handel mit den Nicht-Dividendenwerten kann nicht bei allen Nicht-Dividendenwerten sichergestellt werden mit möglicherweise nachteiligen Auswirkungen auf den Kurs bzw. Handelspreis und die jederzeitige Verkaufsmöglichkeit der Nicht-Dividendenwerte.

Beim Kauf und Verkauf von Nicht-Dividendenwerten fallen neben dem aktuellen Preis des Wertpapiers verschiedene Nebenkosten und Folgekosten (insbesondere Transaktionskosten, Provisionen, Depotentgelte) an, die das Gewinnpotential der Nicht-Dividendenwerte erheblich verringern oder sogar ausschließen können.

Zinszahlungen auf die Nicht-Dividendenwerte oder vom Anleihegläubiger bei Verkauf oder Rückzahlung der Nicht-Dividendenwerte steuerlich realisierte Gewinne sind in seiner Heimatrechtsordnung oder in anderen Rechtsordnungen, in denen er Steuern zahlen muss, möglicherweise steuerpflichtig. Die Anlage von ausgezahlten Zinsen kann nur zu jeweils aktuellen Marktzinsen erfolgen, die sich anders als erwartet entwickelt haben können.

Wird der Erwerb der Nicht-Dividendenwerte mit Kredit finanziert und kommt es anschließend zu einem Zahlungsverzug oder -ausfall der Emittentin hinsichtlich der Nicht-Dividendenwerte oder sinkt der Kurs erheblich, muss der Anleihegläubiger nicht nur den eingetretenen Verlust hinnehmen, sondern auch den Kredit verzinsen und zurückzahlen. Dadurch kann sich das Verlustrisiko erheblich erhöhen. Ein Anleger sollte nicht darauf vertrauen, den Kredit aus Gewinnen eines Geschäftes verzinsen und zurückzahlen zu können.

Die Emissionsbedingungen der Nicht-Dividendenwerte können für die Emittentin oder die Inhaber der Nicht-Dividendenwerte ein Recht zur vorzeitigen Kündigung vorsehen, dessen Ausübung zu einer vorzeitigen Rückzahlung führt.

Die vorzeitige Rückzahlung eines Nicht-Dividendenwertes kann dazu führen, dass negative Abweichungen gegenüber der erwarteten Rendite eintreten und der zurückgezahlte Nennbetrag der Nicht-Dividendenwerte niedriger als der für die Nicht-Dividendenwerte vom Anleihegläubiger gezahlte Kaufpreis ist und dadurch das eingesetzte Kapital zum Teil oder vollständig verloren ist.

Darüber hinaus besteht die Möglichkeit, dass Anleger die Beträge, die sie bei einer Kündigung erhalten, nur noch mit einer niedrigeren Rendite als die gekündigten Nicht-Dividendenwerte anlegen können.

Beim Erwerb von Floating Rate Notes können Anleger auf Grund der schwankenden Zinserträge die endgültige Rendite von Floating Rate Notes zum Kaufzeitpunkt nicht feststellen, so dass auch ein Rentabilitätsvergleich gegenüber Anlagen mit längerer Zinsbindungsfrist nicht möglich ist.

Bei Reverse Floating Rate Notes berechnet sich der Zinsertrag in entgegengesetzter Richtung zum Referenzzinssatz: Bei steigendem Referenzzinssatz sinkt der Zinsertrag, während er bei

fallendem Referenzzinssatz steigt. Das Risiko für den Anleger ist hoch, wenn sich ein Anstieg der langfristigen Marktzinsen anbahnt, auch wenn die kurzfristigen Zinsen fallen. Der steigende Zinsertrag ist in diesem Fall kein adäquater Ausgleich für die eintretenden Kursverluste der Reverse Floating Rate Notes, da diese überproportional ausfallen.

Bei Nullkupon-Anleihen haben Veränderungen des Marktzinsniveaus wegen der stark unter pari liegenden Emissionskurse, die durch die Abzinsung zustande kommen, wesentlich stärkere Auswirkungen auf die Kurse als bei üblichen Anleihen.

Als Käufer von Fremdwährungsanleihen sind Anleger zusätzlich dem Risiko schwankender Devisenkurse ausgesetzt.

Inhaber von Nachrangschuldverschreibungen erhalten im Falle der Insolvenz oder der Liquidation der Emittentin Zahlungen auf ausstehende Nachrangschuldverschreibungen erst, nachdem alle anderen nicht nachrangigen Ansprüche von Gläubigern vollständig befriedigt wurden, wenn und soweit dann noch Vermögenswerte für Zahlungen auf die nachrangigen Schuldverschreibungen vorhanden sind. Sie tragen damit ein größeres Ausfallrisiko als die Inhaber nicht nachrangiger Schuldverschreibungen.

Eine Anlage in derivative Schuldverschreibungen umfasst immer das Risiko, dass die Zinsen und das eingesetzte Kapital ganz oder zum Teil verloren werden können.

Eine Anlage in derivativen Schuldverschreibungen ist mit erheblichen Risiken verbunden. Deshalb erfordert eine Anlage die genaue Kenntnis der Funktionsweise der jeweiligen Transaktion. Anleger sollten über das erforderliche Wissen und die erforderliche Erfahrung in finanziellen und geschäftlichen Angelegenheiten verfügen und Erfahrung mit der Anlage in die zu Grunde liegenden Basiswerte (z.B. Aktien, Indizes und Körbe) haben und die damit verbundenen Risiken kennen.

Bei dem einer derivativen Schuldverschreibung zu Grunde liegenden Währungs-, Rohstoff-, Aktien-, Renten- oder sonstigen Index oder Wertes oder Korb von Basiswerten können wesentliche Änderungen eintreten, sei es auf Grund deren Zusammensetzung oder auf Grund von Wertschwankungen seiner Bestandteile. Eine derivative Schuldverschreibung, die auf mehr als einen Basiswert oder auf Formeln bezogen ist, hat möglicherweise ein kumuliertes oder sogar potenziertes Risiko gegenüber einer Schuldverschreibung, die nur auf einen Basiswert bezogen ist. Anleger sind möglicherweise nicht in der Lage, sich gegen diese verschiedenen Risiken in Bezug auf derivative Schuldverschreibungen abzusichern. Eine wesentliche Marktstörung könnte dazu führen, dass der Basiswert ersetzt oder die Schuldverschreibung vorzeitig beendet werden muss, so dass sich Risiken vorzeitig realisieren können oder ursprüngliche Chancen verloren gehen und möglicherweise neue Risiken hinzukommen.

Darüber hinaus ist der Wert der derivativen Schuldverschreibungen zusätzlich am Sekundärmarkt auf Grund der Abhängigkeit von einem oder mehreren Basiswerten auch entsprechend kumulierten Risiken ausgesetzt. Die Wertentwicklung des jeweiligen Basiswertes hängt von einer Reihe zusammenhängender Faktoren ab, darunter volkswirtschaftliche, finanzwirtschaftliche und politische Ereignisse, über die die Emittentin keine Kontrolle hat.

Falls die Formel zur Ermittlung von auf derivative Schuldverschreibungen fällige Kapitalbeträge, Aufschläge und/oder Zinsen darüber hinaus einen Multiplikator oder Hebefaktor, Zins- oder Rückzahlungsobere- oder -untergrenzen enthält, wird die Wirkung von Veränderungen bei dem jeweiligen Basiswert für den zu zahlenden Betrag verstärkt. Eine historische Wertentwicklung des Basiswertes kann nicht als aussagekräftig für die künftige Wertentwicklung während der Laufzeit von derivativen Schuldverschreibungen angesehen werden.

Die Emittentin kann für eigene Rechnung oder für Kundenrechnung Geschäfte abschließen, die auch "Basiswerte" im Rahmen der derivativen Schuldverschreibungen betreffen. Die Emittentin

und ihre verbundenen Unternehmen verfügen möglicherweise am Ausgabetag der derivativen Schuldverschreibungen oder anschließend über Informationen in Bezug auf die Basiswerte, die für Inhaber von derivativen Schuldverschreibungen möglicherweise wesentlich sind und die möglicherweise nicht öffentlich zugänglich oder den Anleihegläubigern bekannt sind.

### ***Pfandbriefe***

Die allgemeinen Bedingungen der Schuldverschreibungen, die auf Pfandbriefe anwendbar sind, werden weder ein Kündigungsrecht noch eine Investor Put Option enthalten. Weiterhin werden in Fällen der Auferlegung einer Quellensteuer oder der Einbehaltung in Form von gemäß den Schuldverschreibungen auf Zinszahlungen erhobenen Steuern keine zusätzlichen Beträge an die Investoren gezahlt werden, so dass Investoren Zinszahlungen abzüglich solcher Quellensteuern oder Einbehaltungen erhalten werden. Die Pfandbriefe unterliegen im Übrigen grundsätzlich denselben Risiken, die bereits vorstehend beschrieben wurden.



## Zusammenfassung des Angebotsprogramms

### Gründe für das Angebot

Das Angebotsprogramm dient der Emittentin zur Refinanzierung ihres Aktivgeschäfts durch die Begebung von deutschem Recht unterliegenden Inhaberschuldverschreibungen ("Standardschuldverschreibungen" genannt) und deutschem Recht unterliegenden derivativen Inhaberschuldverschreibungen, einschließlich solcher ohne Nennbetrag (zusammenfassend "derivative Schuldverschreibungen" genannt), jeweils mit oder ohne Nachrang (zusammenfassend "Schuldverschreibungen" genannt) sowie von deutschem Recht unterliegenden Hypothekendarlehenbriefen sowie Öffentlichen Darlehenbriefen (zusammenfassend "Darlehenbriefe" genannt). Die Schuldverschreibungen und die Darlehenbriefe werden nachfolgend zusammenfassend die "Nicht-Dividendenwerte" genannt.

### Angebotsstatistiken und voraussichtlicher Zeitplan

Die Emittentin wird während der Laufzeit dieses Basisprospektes im Rahmen des Angebotsprogrammes fortlaufend Nicht-Dividendenwerte begeben. Die Konditionen und der Zeitplan dieser Emissionen ergeben sich aus dem jeweiligen, die Endgültigen Bedingungen im Sinne des Art. 26 Ziff. 5 Verordnung (EG) Nr. 809/2004 der Kommission vom 29. April 2004 enthaltenden, Dokument (jeweils "Endgültige Bedingungen").

### Erlösverwendung

Der Nettoemissionserlös aus der Begebung von Nicht-Dividendenwerten im Rahmen des Angebotsprogrammes dient der Erfüllung der satzungsgemäßen Aufgaben der Emittentin.

### Einzelheiten zum Angebotsprogramm

Emittentin:	WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG.
Programmtyp:	Angebotsprogramm zur Begebung von deutschem Recht unterliegenden Nicht-Dividendenwerten. Das Programm ermöglicht unter anderem die Emission von Standardschuldverschreibungen als fest und variabel verzinsliche Schuldverschreibungen, Nullkupon-Schuldverschreibungen, Schuldverschreibungen mit derivativen Zinsstrukturen (Abhängigkeit der Verzinsung z.B. von Formeln, CMS (Constant Maturity Swap)-Sätzen, Aktien, Aktienkörben, Indizes und Indexkörben, Währungen oder sonstigen Basiswerten), nachrangigen und nicht nachrangigen Schuldverschreibungen sowie von derivativen Schuldverschreibungen, bei denen der Zinssatz und/oder der Rückzahlungsbetrag von einem Basiswert (z.B. Formel, CMS-Sätze, Aktien, Aktienkörbe, Index und Indexkörbe, Währungen oder sonstige Basiswerte) abhängt sowie von fest und variabel verzinslichen Darlehenbriefen.
Arrangeur:	Dresdner Bank AG (tritt auf dem Deckblatt mit ihrem Marketingnamen "Dresdner Kleinwort Wasserstein" auf) und WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank (tritt auf dem Deckblatt mit ihrem Marketingnamen "WGZ BANK" auf).
Dealer:	Der Vertrieb der Nicht-Dividendenwerte erfolgt über Dealer im Rahmen von Konsortialvereinbarungen oder auf Grund von bilateralen Verträgen mit oder ohne Einbeziehung von Dealern. Als

Dealer sind neben der Emittentin (tritt auf dem Deckblatt mit ihrem Marketingnamen "WL-BANK" auf) die folgenden Kreditinstitute vorgesehen:

ABN AMRO Bank N.V. (tritt auf dem Deckblatt mit ihrem Marketingnamen "ABN AMRO" auf),

Barclays Bank PLC (tritt auf dem Deckblatt mit ihrem Marketingnamen "Barclays Capital" auf),

Bayerische Hypo- und Vereinsbank AG (tritt auf dem Deckblatt mit ihrem Marketingnamen "HVB Corporates & Markets" auf),

Citigroup Global Markets Limited (tritt auf dem Deckblatt mit ihrem Marketingnamen "Citigroup" auf),

Commerzbank AG (tritt auf dem Deckblatt mit ihrem Marketingnamen "Commerzbank Corporates & Markets" auf),

Deutsche Bank Aktiengesellschaft (tritt auf dem Deckblatt mit ihrem Marketingnamen "Deutsche Bank" auf),

Dresdner Bank AG (tritt auf dem Deckblatt mit ihrem Marketingnamen "Dresdner Kleinwort Wasserstein" auf),

DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main (tritt auf dem Deckblatt mit ihrem Marketingnamen "DZ BANK AG" auf),

HSBC Bank plc (tritt auf dem Deckblatt mit ihrem Marketingnamen "HSBC" auf),

Landesbank Baden-Württemberg,

Morgan Stanley & Co. International Limited (tritt auf dem Deckblatt mit ihrem Marketingnamen "Morgan Stanley" auf),

UBS Limited (tritt auf dem Deckblatt mit ihrem Marketingnamen "UBS Investment Bank" auf) und

WGZ Bank AG Westdeutsche Genossenschafts-Zentralbank (tritt auf dem Deckblatt mit ihrem Marketingnamen "WGZ BANK" auf).

Die Emittentin ist berechtigt, entsprechend den Bestimmungen des zwischen den Arrangeuren, der Emittentin und den Dealern in Bezug auf das Angebotsprogramm geschlossenen Dealer Agreements ("Dealer Agreement") zusätzlich zu den vorstehend genannten Programmdealern neue Dealer in Bezug auf das gesamte Angebotsprogramm oder in Bezug auf einzelne oder mehrere Tranchen zu bestellen.

Programmobergrenze:

Der Gesamtnennbetrag der ausstehenden Nicht-Dividendenwerte darf die Programmobergrenze von EUR 15.000.000.000 (oder der jeweilige Gegenwert in Fremdwährung) nicht überschreiten.

Angebot:

Die Emittentin kann Nicht-Dividendenwerte im Rahmen von Konsortial- oder bilateralen Vereinbarungen öffentlich anbieten oder privat mit oder ohne Zeichnungsfrist platzieren. Die Einzelheiten eines Angebotes ergeben sich jeweils aus den betreffenden Endgültigen Bedingungen.

Ausgabepreis:

Der Angebotspreis für die unter einer Tranche begebenen Nicht-Dividendenwerte wird durch die jeweiligen Endgültigen Bedingungen festgelegt.

Emissionswährungen:	EUR oder jede für eine Tranche in den jeweiligen Endgültigen Bedingungen festgelegte Währung, jeweils unter Beachtung der einschlägigen gesetzlichen Bestimmungen und Devisenvorschriften.
Laufzeiten:	Die Laufzeit der unter einer Tranche begebenen Nicht-Dividendenwerte wird in den jeweiligen Endgültigen Bedingungen festgelegt.
Verzinsung bei Standardschuldverschreibungen:	Schuldverschreibungen können, je nach Festlegung in den jeweiligen Endgültigen Bedingungen, ohne Verzinsung, mit festem oder variablem Zins, mit einer von einem Basiswert abhängigen derivativen Zinsstruktur (Abhängigkeit der Verzinsung z.B. von Formeln, CMS-Sätzen, Aktien, Aktienkörben, Indizes und Indexkörben, Währungen oder sonstigen Basiswerten) sowie mit Zinsobergrenzen oder Zinsuntergrenzen ausgegeben werden. Die genannten Zinsmethoden können für unterschiedliche Zinsperioden einer Schuldverschreibung kombiniert werden.
Verzinsung bei derivativen Schuldverschreibungen:	Schuldverschreibungen können, je nach Festlegung in den jeweiligen Endgültigen Bedingungen, ohne Verzinsung oder mit festem Zins oder mit einer von einem oder mehreren Basiswerten abhängigen derivativen Zinsstruktur (Abhängigkeit der Verzinsung z.B. von Formeln, CMS-Sätzen, Aktien, Aktienkörben, Indizes und Indexkörben, Währungen oder sonstigen Basiswerten) ausgegeben werden.
Verzinsung bei Pfandbriefen:	Pfandbriefe können, je nach Festlegung in den jeweiligen Endgültigen Bedingungen, ohne Verzinsung, mit festem oder variablem Zins sowie mit Zinsobergrenzen oder Zinsuntergrenzen ausgegeben werden. Die genannten Zinsmethoden können für unterschiedliche Zinsperioden eines Pfandbriefs kombiniert werden.
Endgültige Bedingungen:	Die endgültigen Bedingungen werden jeweils in den betreffenden Endgültigen Bedingungen festgelegt, die den Anlegern gemäß § 14 Wertpapierprospektgesetz zugänglich gemacht werden. Die jeweiligen Endgültigen Bedingungen sind im Zusammenhang mit diesem Basisprospekt und seinen Nachträgen und den darin durch Verweis einbezogenen Dokumenten zu lesen.
Quellensteuer:	Zahlungen von Kapital und Zinsen werden ohne Einbehalt oder Abzug von Steuern, Abgaben, Festsetzungen oder behördlicher Gebühren jedweder Art geleistet, die von der Bundesrepublik Deutschland oder einer ihrer Gebietskörperschaften oder Behörden mit der Befugnis zur Erhebung von Steuern auferlegt, erhoben, eingezogen, einbehalten oder festgesetzt werden. Wird ein solcher Einbehalt oder Abzug gesetzlich vorgeschrieben, wird die Emittentin - vorbehaltlich einiger Ausnahmen - diejenigen zusätzlichen Beträge zahlen, die erforderlich sind, so dass die Anleihegläubiger die Beträge erhalten, die sie ohne Einbehalt oder Abzug erhalten hätten. Im Falle von Pfandbriefen werden jedoch auch dann, wenn ein solcher Einbehalt oder Abzug gesetzlich vorgeschrieben wird, keine zusätzlichen Beträge gezahlt.

Form der Nicht-Dividendenwerte :	Die Nicht-Dividendenwerte werden als Inhaberschuldverschreibungen nach deutschem Recht ausgegeben. Nicht-Dividendenwerte werden in einer permanenten Globalurkunde verbrieft. Sofern in den Endgültigen Bedingungen geregelt, werden Nicht-Dividendenwerte in einer temporären Globalurkunde und nach Ablauf von 40 Tagen nach dem jeweiligen Ausgabetermin in einer permanenten Globalurkunde verbrieft. Effektive Stücke werden nicht ausgegeben, sofern nicht in den betreffenden Endgültigen Bedingungen die Ausgabe effektiver Stücke vorgesehen ist.
Stückelung:	Die Nicht-Dividendenwerte werden im Falle von Standardschuldverschreibungen und Pfandbriefen mit dem in den betreffenden Endgültigen Bedingungen festgelegten Nennbetrag und im Falle von derivativen Schuldverschreibungen entweder ohne festen Nennbetrag in Stück oder mit dem in den betreffenden Endgültigen Bedingungen festgelegten Nennbetrag ausgegeben.
Verwendung des Emissionserlöses:	Der Nettoemissionserlös aus der Begebung der Nicht-Dividendenwerte dient jeweils der Erfüllung der satzungsgemäßen Zwecke der Emittentin.
Rückzahlung bei Standardschuldverschreibungen:	Der Nennbetrag der Schuldverschreibungen wird bei Endfälligkeit zu mindestens 100 % zurückgezahlt. Bei Nullkupon-Schuldverschreibungen entspricht der Rückzahlungsbetrag bei vorzeitiger Fälligkeit dem Barwert der Nullkupon-Schuldverschreibung zum Zeitpunkt der Fälligkeit.
Rückzahlung bei derivativen Schuldverschreibungen:	Der Rückzahlungsbetrag der derivativen Schuldverschreibungen hängt von Basiswerten ab, auf die die derivativen Schuldverschreibungen Bezug nehmen. Die Bindung an einen Basiswert kann dazu führen, dass ein Anleger sein eingezahltes Kapital nicht in voller Höhe zurückerhält oder im Extremfall einen Totalverlust des eingesetzten Kapitals erleidet. Der Einfluss des Basiswertes auf die derivativen Schuldverschreibungen kann der Höhe nach begrenzt sein. Der konkrete Zusammenhang zwischen dem betreffenden Basiswertes und den derivativen Schuldverschreibungen wird in den betreffenden Endgültigen Bedingungen festgelegt.
Basiswerte bei derivativen Schuldverschreibungen:	Basiswerte können, je nach Festlegung in den betreffenden Endgültigen Bedingungen, Formeln, CMS-Sätze, Aktien, Aktienkörbe, Indizes oder Indexkörbe oder Währungen sowie sonstige Basiswerte sein.
Rückzahlung bei Pfandbriefen:	Der Nennbetrag der Pfandbriefe wird bei Endfälligkeit zu mindestens 100 % zurückgezahlt. Bei Nullkupon-Pfandbriefen entspricht der Rückzahlungsbetrag bei vorzeitiger Fälligkeit dem Barwert des Nullkupon-Pfandbriefes zum Zeitpunkt der Fälligkeit.
Kündigungsrechte bei Schuldverschreibungen:	Die Schuldverschreibungen sind weder für die Emittentin noch für die Anleihegläubiger kündbar, sofern die betreffenden Endgültigen Bedingungen nicht ordentliche Kündigungsrechte vorsehen oder sofern nicht ein außerordentlicher Kündigungsgrund vorliegt.
Kündigungsrechte bei Pfandbriefen:	Die Pfandbriefe sind weder für die Emittentin noch für die Pfandbriefgläubiger kündbar, sofern die betreffenden Endgültigen Bedingungen nicht im Falle von Pfandbriefen ausnahmsweise ordentliche Emittentenkündigungsrechte vorsehen.
Status und Rang:	Die Nicht-Dividendenwerte können, je nach Festlegung in den betreffenden Endgültigen Bedingungen, entweder als nicht-nachrangige oder nachrangige Nicht-Dividendenwerte begeben

	werden. Pfandbriefe werden als nicht-nachrangige, gemäß den Bestimmungen des Pfandbriefgesetzes gedeckte Pfandbriefe begeben.
Börsenzulassung und Börsenhandel:	Die Emittentin wird, sofern dies in den betreffenden Endgültigen Bedingungen vorgesehen ist, für die Nicht-Dividendenwerte die Aufnahme der Notierung im amtlichen Markt der Düsseldorfer Börse beantragen.
Emissionsbedingungen:	Die Emissionsbedingungen ergeben sich aus den allgemeinen Emissionsbedingungen und den besonderen Emissionsbedingungen, sowie aus den betreffenden Endgültigen Bedingungen. In den Endgültigen Bedingungen werden entweder die jeweils anwendbaren Bedingungen festgelegt oder es werden nach Wahl der Emittentin aus den diesem Dokument beigefügten Emissionsbedingungen die Endgültigen Bedingungen in konsolidierter Form erstellt.
Ermächtigungsgrundlage:	Das Angebotsprogramm wurde von dem nach Gesetz und Satzung zuständigen Vorstand der Emittentin am 15. Juli 2005 genehmigt und das Update des Angebotsprogrammes wurde von dem nach Gesetz und Satzung zuständigen Vorstand der Emittentin am 3. März 2006 genehmigt .
Fiscal Agent:	WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG.
Zahlstelle:	WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank.
Berechnungsstelle:	WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank oder andere in den Endgültigen Bedingungen festgelegte Stellen.
Verkaufsbeschränkungen:	Jede Nicht-Dividendenwerte-Emission wird in Übereinstimmung mit den in der betreffenden Jurisdiktion geltenden Gesetzen, Vorschriften und Rechtsakten sowie den dort anwendbaren Beschränkungen erfolgen. Angebot und Verkauf der Nicht-Dividendenwerte unterliegen Verkaufsbeschränkungen insbesondere in den Vertragsstaaten des Europäischen Wirtschaftsraums, in den Vereinigten Staaten von Amerika und im Vereinigten Königreich. Weitere auf eine Nicht-Dividendenwerte-Emission anwendbare Beschränkungen können in den betreffenden Endgültigen Bedingungen dargelegt werden und sind unabhängig von der Darlegung in den Endgültigen Bedingungen einzuhalten.
Anwendbares Recht und Gerichtsstand:	Die Nicht-Dividendenwerte unterliegen deutschem Recht.
Verwahrung:	Die Nicht-Dividendenwerte werden für die Dauer ihrer Laufzeit in globalverbriefter Form bei Clearstream Banking AG, Frankfurt am Main oder bei einer gemeinsamen Verwahrstelle für Clearstream Banking, société anonyme, Luxembourg und Euroclear Bank S.A./N.V., Brüssel, als Betreiberin des Euroclearsystems oder bei einem anderen in den Endgültigen Bedingungen bezeichneten Verwahrer hinterlegt.

## Risk Factors

The purchase of the Non Equity Securities issued under the Programme is associated with certain risks. The information set forth below represents the material risk factors related to an investment in the Non Equity Securities. Investors should acknowledge that series specific risks cannot yet be fully described below, and will therefore be set out in the relevant Final Terms. Please refer to the product information and the specific risk warnings, if any, set out in the relevant Final Terms for further information with respect to specific risks arising from the relevant underlying and the details of the relevant payout-profile of the Non-Equity Securities. Investors should take into account their current financial situation and their investment objectives before deciding whether to invest in the Non Equity Securities. In this context, they should take into consideration the risks of an investment in the Non Equity Securities set out below in particular, in addition to the other information contained in this Base Prospectus.

### Risk Factors relating to the Issuer

If one or more of the risks described below occur, this could have an adverse effect on the Issuer's financial condition and results of operations and this may result in material and sustained decreases in the price of the Non Equity Securities or, in the worst case, in a total loss of the capital invested by the Investor.

***The Issuer's levels of profitability are tied to its access to low cost funds. The Issuer's costs of funds may prove to be more expensive in the future than was the case historically and more expensive than currently contemplated in the Issuer's plans.***

Due to the nature of the Issuer's business, it does not have access to a large base of customer deposits as an inexpensive source of funds. Its principal sources of funds instead include mortgage Pfandbriefe and public sector Pfandbriefe.

The regulatory framework governing the issuance of Pfandbriefe changed in July 2005, with the result that under certain circumstances the right to issue Pfandbriefe will be extended to most commercial banks. The Issuer cannot predict what impact this will have on the mortgage bond market and on its ability to rely on Pfandbriefe as an efficient source of funds.

***The Issuer's risk management policies, procedures and methods may – despite compliance with statutory provisions – be insufficient and leave the Issuer exposed to unidentified or unanticipated risks, which could lead to material losses***

The Issuer has devoted significant resources to developing its risk management policies, procedures and assessment methods and intends to continue to do so in the future. The Issuer's techniques and strategies may not be fully effective in mitigating its risk exposure in all economic market environments or against all types of risk, including risks that the Issuer fails to identify or anticipate. Some of the Issuer's qualitative tools and metrics for managing risk are based upon its use of observed historical market behaviour. The Issuer applies statistical and other tools to these observations to arrive at quantifications of its risk exposures. These tools and metrics may fail to predict future risk exposures. These risk exposures could, for example, arise from factors the Issuer did not anticipate or correctly evaluate in its statistical models. In addition, the Issuer's quantified modelling does not take all risks into account. Its more qualitative approach to managing those risks could prove insufficient, exposing it to material unanticipated losses. If the Issuer's risk management turns out to be inadequate, losses greater than anticipated could harm the Issuer's revenues and profits as well as its reputation.

***Unforeseen events can interrupt the Issuer's operations and cause substantial losses and additional costs.***

Unforeseen events like severe natural catastrophes, terrorist attacks or other states of emergency can lead to an abrupt interruption of the Issuer's operations, which can cause substantial losses. Such losses can relate to property, financial assets, trading positions and to key employees. Such unforeseen events can also lead to additional costs (such as cost triggered by the relocation of employees affected) and increase the Issuer's costs (such as insurance premiums). Such events may also make insurance coverage for certain risks unavailable and thus increase the Issuer's risk.

***Risk factors regarding the real estate business.***

As a credit institution, the Issuer is exposed to the creditworthiness of its customers and counterparties. At year-end 2005, 100% of the Issuer's loans and advances to customers were secured by real estate and 90% thereof were within 60% of the value of the obligation. If the value of the collateral securing the loan portfolio declines, the Issuer will be exposed to higher credit risk and increased risk of non-recovery in the event that any of its loans fail to perform. At 31 December 2005, the Issuer's balance of possible bad debt provisions was € 54 million, and its level was 0.70% of the real estate portfolio. The Issuer cannot assure that its level of risk provisioning will be adequate or that it will not have to make significant additional provisions for possible bad and doubtful debts in future periods.

***Risk factors relating to public sector credits and capital markets business.***

The capital markets portfolio contains public debtors as well as credit institutions that are privately organized and organized under public law, within Germany and abroad. The main emphasis of the capital markets portfolio are public sector loans and the securities business with public debtors or credit institutions organized under public law that meet the requirements for the cover pool. The credit default risk of these portfolios could change due to a negative development in the economy.

In addition, the capital markets portfolio contains the interbank business with its derivative and financial operations as well as the purchase of listed bonds for the investment of capital.

The classical public sector loan business with local authorities is classified by a large diversification. Generally, these have small amounts with the possibility of an early redemption. In order to enlarge its offerings, the bank increased its cash credits with an average maturity of 60 days. To a lesser extent, the portfolio contains structured public sector loans and cash credits.

The less important credit instruments within the public sector credit business are loans against borrowers notes (*Schuldscheindarlehen*) and bonds of public debtors. These bonds have generally a high fungibility with a maturity. The average volume of public debtors is EUR 20,000,000 and of the institutions organized under public law EUR 10,000,000, whereas the volumes of securities are generally larger than those of loans against borrowers notes and Sparkassenbriefe. After 18 July 2005 the state banks lost the benefit of the state guarantee (*Gewährträgerhaftung*) and, accordingly, the competition of securities eligible for the cover pool increased in 2004 and 2005. In addition to the public sector business of the Issuer, the Issuer's credit portfolio also contains to a lesser extent securities of banks.

***An interruption in or breach of the Issuer's information systems may result in losses.***

As with most other banks, the Issuer relies heavily on communications and information systems to conduct its business. Any failure or interruption or breach in security of these systems could result in failures or interruptions in the Issuer's customer relationship management, general ledger, deposit, servicing and/or loan organisation systems. If, for example, the Issuer's information systems failed, even for a short period of time, it would be unable to timely serve some customers' needs and could thus lose their business. Likewise, a temporary shut-down of the Issuer's

information systems, even though it has back-up recovery systems and contingency plans, could result in considerable costs that are required for information retrieval and verification. The Issuer's cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed. The occurrence of any failures or interruptions could have a material adverse effect on the Issuer's financial condition and results of operations.

***Intense competition, especially in the Issuer's home market of Germany, where the Issuer conducts the majority of its business, could materially adversely affect the Issuer's revenues and profitability.***

Competition is intense in all of the Issuer's primary business areas in Germany and other European countries and the United States. The Issuer derived most of its operating profit after risk provisioning and evaluation in 2005 from Germany, a mature market where competitive pressures have been increasing quickly. If the Issuer is unable to respond to the competitive environment in Germany or in the Issuer's other major markets with attractive and profitable products and service offerings, it may lose market share in important areas of its business or incur losses on some or all of its activities. In addition, downturns of sustained sluggishness in the German economy could add to the competitive pressure, through, for example, increased price pressure and lower business volumes for the Issuer and its competitors.

***The introduction of Basel II will change banks' capital adequacy ratios.***

The introduction in 2007 of the general agreement of the Basel Committee for Bank Supervision for the International Convergence of Capital Measurement and Capital Standards of June 2004, or "Basel II", is likely to bring changes to banks' capital ratios, including those of the Issuer. The direction and magnitude of the impact of Basel II will depend on the particular asset structures of each bank and its precise impact on the Issuer cannot be quantified with certainty at this time. The Issuer expects to incur costs in complying with the new guidelines. The new guidelines may also require the Issuer to operate its business in ways that may be less profitable than its present operations.

***Market declines and high volatility can materially adversely affect the Issuer's profits.***

Conditions in the financial markets in Germany, in Europe, in the United States and around the world materially affect the Issuer's businesses. An overall market downturn can adversely affect the Issuer's business and financial performance. Market downturns can occur not only as a result of purely economic factors, but also as a result of war, acts of terrorism, natural disasters or other similar events. Market declines can cause the Issuer's revenues to decline, and, if the Issuer is unable to reduce its expenses at the same pace, can cause the Issuer's profitability to erode. Volatility can sometimes also adversely affect the Issuer's business and results of operations.

In some of the Issuer's businesses, protracted market movements, particularly asset price declines, can reduce the level of activity in the market or reduce market liquidity. These developments can lead to material losses if the Issuer cannot close out deteriorating positions in a timely way. This may be especially the case the Issuer holds assets which are not traded on liquid markets. Assets that are not traded on stock exchanges or other public trading markets may have values that the Issuer calculates using models other than publicly-quoted prices. Monitoring the deterioration of prices of assets like these is difficult and could lead to losses the Issuer did not anticipate.

***The Issuer operates in a difficult economic environment.***

Approximately 100% of the Issuer's real estate loan business is originated in Germany. Operating conditions for banks in Germany remain difficult, as economic growth has been and is slow, unemployment is high and the number of insolvencies of companies over the past several years has been high. Necessary structural reforms by changing German laws and regulations are only



taking place slowly. As a result, the German economy is increasingly dependent on exports. The great importance of export markets for Germany means that even more a decline in growth in Europe than in the past, the United States or Asia may have greater adverse effects in Germany than in other western European countries. Any further deterioration of the economy in Germany could have a material and adverse effect on the Issuer's financial condition and results of operation.

***It is uncertain whether and when the consolidation of the German banking industry will materialise and what the effects for the Issuer will be.***

Many market analysts expect that further consolidation of the German banking industry will take place in the future. The concept of consolidation has been explicitly endorsed by German government officials. The consolidation may involve private sector banks, public sector banks and cooperative banks and may also involve non-German banks. This consolidation could take various forms, ranging from full-fledged bank mergers and acquisitions to partnerships and joint ventures in discrete service areas. If this further bank consolidation does take place, it may result in the German banking market becoming even more competitive than it is today.

***Volatility in interest rates may negatively affect the Issuer's net interest income and have other adverse consequences.***

As with any bank, changes in market interest rates could affect the interest rates the Issuer charges on its interest-earning assets differently than the interest rates it pays on its interest-bearing liabilities. This difference could result in an increase in interest expense relative to interest income, which would reduce the Issuer's net interest income, the largest source of its revenues. An increase in interest rates may reduce the demand for loans and the Issuer's ability to originate loans. A decrease in the general level of interest rates may affect the Issuer through, among other things, increased prepayments on its loan and mortgage portfolio and increased competition for deposits. Likewise, a decrease in interest rates may affect the Issuer's ability to issue mortgage-backed securities, securitize parts of its balance sheet or otherwise issue debt securities. Interest rates are highly sensitive to many factors beyond the Issuer's control, including monetary policies and domestic and international economic and political conditions.

### ***General Banking Risks***

The Issuer is subject to the general banking risks which can have a negative impact on its economic situation. These general banking risks can have an adverse effect on the financial condition and results of operations, and the value of the issued product could decrease.

Risks may arise in particular in the form of counterparty default risks, market price risks, liquidity risks, operational and strategic risks.

Counterparty default risk describes the risk of a loss or lost profit due to default or credit deterioration on the part of a business partner; it includes default risk, counterparty credit risk, country risk and shareholder risk.

Market price risks are defined as potential losses that can result from trading and investment book positions due to adverse changes in market prices or price-influencing parameters in the financial markets. This includes in particular the interest rate risk.

Liquidity risk is the risk that present or future payment obligations cannot be met in full at the due date (liquidity risk in the narrower sense), or that refinancing capital can only be raised at higher rates than expected (refinancing risk), or that business transactions can only be liquidated or settled at a loss or not at all due to insufficient market depth or market disruptions (market liquidity risk).

Operational risks are potential future events with adverse effects on the Issuer, resulting from inadequate or failed internal processes, people and systems failure or from external events.

The Issuer defines strategic risks as risks resulting from changes in basic conditions, such as customer requirements, competition, or technological changes, which could adversely affect the Issuer's essential success potentials or the achievement of long-term corporate goals.

### ***Risks from a Change in Rating***

Apart from government monitoring by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) and the Deutsche Bundesbank, the Issuer obtained a voluntary rating from the internationally active rating agency Standard & Poor's. The rating agency has made an assessment of the business environment the Issuer operates in and of the risks it is engaged in. This assessment by the rating agency serves to provide an investor an overview of the Issuer solvency. The published rating is subject to ongoing review and may be changed at any time.

The current rating is as follows:

Bank rating	A/stable/A-1
Public-sector Pfandbriefe	AAA
Pfandbriefe	AAA
Certificates of deposits	A/A-1
Unsecured liabilities	A
Short-term liabilities	A-1
Secured short-term liabilities	A-1+

AAA

An obligation rated "AAA" is the highest possible rating. The capacity of the obligor to meet its financial commitments on the obligation is to be viewed as extremely strong.

A

An obligation rated "A" is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the capacity of the obligor to meet its financial commitments on the obligation is, in this case, still to be viewed as strong.

A-1

"A-1" is the highest possible rating for a short-term obligation. The capacity of the obligor to meet its financial commitments on the obligation is to be viewed as strong. Within this category several short-term obligations are designated with a plus sign (+). This indicates that the capacity of the obligor to meet its financial commitments is to be viewed as extremely strong. If the Issuer's business environment, risk profile or profitability deteriorates, this could lead to a change in the assessment by the rating agencies. As a result, the Issuer's refinancing costs would rise, while its profitability and competitive situation would deteriorate.

This could have an adverse effect on the financial condition and results of operations, and the value of the issued product could decrease.

## **Risk Factors relating to WGZ BANK**

### ***General Banking Risks***

WGZ BANK is subject to the general banking risks which can have a negative impact on its

economic situation. These general banking risks can have an adverse effect on the financial condition and results of operations.

Risks may arise in particular in the form of counterparty default risks, market price risks, liquidity risks, operational and strategic risks. Counterparty default risk describes the risk of a loss or lost profit due to default or credit deterioration on the part of a business partner; it includes default risk, counterparty credit risk, country risk and shareholder risk. The counterparty risk is the most important risk category because the credit business is the core business of WGZ BANK.

Market price risks are defined as potential losses that can result from trading and investment book positions due to adverse changes in market prices or price-influencing parameters in the financial markets. This includes, in particular, the interest rate risk, share price risk and currency risk.

Liquidity risk is the risk that present or future payment obligations cannot be met in full at the due date (liquidity risk in the narrower sense), or that refinancing capital can only be raised at higher rates than expected (refinancing risk), or that business transactions can only be liquidated or settled at a loss or not at all due to insufficient market depth or market disruptions (market liquidity risk).

Operational risks are potential future events with adverse effects on WGZ BANK, resulting from inadequate or failed internal processes, people and systems failure or from external events.

WGZ BANK defines strategic risks as risks resulting from changes in basic conditions, such as customer requirements, competition, or technological changes, which could adversely affect WGZ BANK's essential success potentials or the achievement of long-term corporate goals.

#### ***Unidentified or unanticipated risks***

The methods and procedures for the risk determination, risk monitoring and risk management of WGZ BANK could be insufficient, regardless its satisfaction of the legal requirements and WGZ BANK could be faced with unknown or unforeseeable risks which could lead to a material loss.

WGZ BANK's techniques and strategies may not be fully effective in mitigating its risk exposure and all economic market environments or against all types of risk, including risks that WGZ BANK fails to identify or anticipate. The instruments may not be suitable to estimate future risks, as for example could arise from factors that were not predicted by WGZ BANK or adequately considered in its statistical models. These could lead to unforeseen losses.

#### ***Risks resulting from an interruption of WGZ BANK's operations***

Unforeseen events like severe natural catastrophes, terrorist attacks or other states of emergency can lead to abrupt interruption of WGZ BANK's operations which can cause substantial losses. Such losses can relate to property, financial assets, trading positions and to key employees. Such unforeseen events can also lead to additional costs (such as costs triggered by the relocation of employees affected) and increase WGZ BANK's costs (such as insurance premiums). Such events may also make insurance coverage for certain risks unavailable and thus increase WGZ BANK's risk. This could adversely affect WGZ BANK's financial condition and results of operations.

#### ***Competition risks***

Competition is intense in all of WGZ BANK's primary business areas in Northrhine-Westphalia and parts of Rhineland-Palatinate. Intense competition in Germany, especially in Western Germany, could adversely affect the business model and its margins. This could adversely affect WGZ BANK's financial condition and results of operations.

#### ***Special market price risks***

A market downturn due to changes in exchange rates, prices, interest rates or volatility or a reduction in market liquidity could lead to unforeseen losses and could affect WGZ BANK's financial condition and results of operations.

In form of the fixed rate risk, changes in interest rates could have a negative effect if on the one hand variable rates and on the other hand fixed rates were negotiated.

Due to the market price risk, WGZ BANK's financial condition and results of operations could be adversely affected.

### ***Risks associated with the enactment of Basel II***

The introduction in 2007 of the general agreement of the Basel Committee for Bank Supervision for the International Convergence of Capital Measurement and Capital Standards of June 2004, or "Basel II", is likely to bring changes to banks' capital ratios, including those of WGZ BANK. The direction and magnitude of the impact of Basel II will depend on the particular asset structures of each bank and its precise impact on WGZ BANK cannot be quantified with certainty at this time. WGZ BANK expects to incur costs in complying with the new guidelines. The new guidelines may also require WGZ BANK to operate its business in ways that may be less profitable than its present operations or to increase its subscribed capital. This could adversely affect its financial conditions and results of operations.

### ***Risks arising out of claims of important contracts***

WGZ BANK entered into important contracts. WGZ BANK issued keep-well statements of several of its subsidiaries and in addition, it is a member in the Sicherungseinrichtung des Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V. (BVR). If WGZ BANK would be subject to claims under either of the keep-well statements or its membership in the BVR, this could have an adverse effect on its financial conditions and results of operations.

### **Risks from a change in Rating**

Apart from government monitoring by the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht) and the Deutsche Bundesbank, WGZ BANK obtained a voluntary rating from the internationally active rating agency Moody's. The rating agency has made a neutral assessment of the business environment WGZ BANK operates in and of the risks it is engaged in. This assessment by the rating agency serves to provide an investor an overview of WGZ BANK solvency. The published rating is subject to ongoing review and may be changed at any time.

The current rating of WGZ BANK is as follows:

Moody's long-term rating for WGZ BANK: A2

A-rated receivables are allocated to the "above-coverage category" and contain a small credit risk.

Moody's long-term rating for WGZ BANK: stable

Moody's short-term rating for WGZ BANK: P-1

Issuers rated with Prime-1 have the excellent ability to repay their short-term debt.

Moody's WGZ BANK financial strength rating: C

C-rated banks have a sufficient financial strength. Generally, those banks have a limited but qualitatively good business structure.

Verbund rating

The cooperative FinanzVerbund, consisting of approximately 1,300 Volks- and Raiffeisenbanken and the cooperative umbrella organisations (such as the WGZ BANK), has received a rating from FitchRatings. The Verbund rating includes the following components:

International Long-Term Credit Rating: A+

In the long-term credit rating, "A" indicates a "high credit quality".

International Short-Term Credit Rating: F1

In the short-term credit rating, "F1" indicates the "highest credit quality".

Outlook: Stable

The overall situation is regarded as stable in the long term.

Individual-Rating: B

The individual rating "B" indicates "a strong bank respectively Verbund with no major concerns".

Support-Rating: 1

A "support rating" offers a judgement of a potential supporter's propensity to support the rated bank respectively Verbund and of its ability to support it. "1" denotes a bank for which there is a high probability of external support. The provider of support is very highly rated in its own right and has a very high propensity to support the bank in question.

Regardless of this Verbund rating, WGZ BANK has its own rating from Moody's rating agency (see above).

Should the business environment of WGZ BANK respectively Verbund, the risk profile or the profitability deteriorate, this could lead to a different rating of the rating agencies. This would increase refinancing costs and deteriorate both profitability and the competitive situation.

This could have a negative impact on the cash-flow, results of operations and financial conditions and the price of the issued product could decrease.

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

If one or more of the risks described below occur, this may result in material and sustained decreases in the price of the Notes or, in the worst case, in a total loss of the capital invested by the Investor.

***The trading market for debt securities may be volatile and may be adversely impacted by many events.***

The market for debt securities issued by German companies and banks is influenced by economic and market conditions in Germany and, to varying degrees, by market conditions, interest rates, currency exchange rates and inflation rates in other European and other industrialised countries. There can be no assurance that events in Germany, Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of Notes or that economic and market conditions will not have any other adverse effect.

***An active trading market for the Notes may not develop.***

There can be no assurance that an active trading market for the Notes will develop, or, if one does develop, that it will be maintained. If an active trading market for the Notes does not develop or is not maintained, the market or trading price and liquidity of the Notes may be adversely affected. The Issuer and its affiliates are entitled to buy and sell the Notes for their own account or for the account of others, and to issue further Notes. Such transactions may favourably or adversely affect the price development of the Notes. If additional and competing products are introduced in the markets, this may adversely affect the value of the Notes.

***Any right of termination at the option of the Issuer, if provided for in any Final Terms for a particular issue of Notes, could cause the yield anticipated by Noteholders to be considerably less than anticipated.***

The Final Terms for a particular issue of Notes may provide for a right of termination of the Issuer. If the Issuer exercises its termination option, the yields received upon redemption may be lower than expected, and the redeemed face amount of the Notes may be lower than the purchase price for the Notes paid by the Noteholder. As a consequence, part of the capital invested by the Noteholder may be lost, so that the Noteholder in such case would not receive the total amount of the capital invested. In addition, investors that have received monies prematurely may reinvest such monies only in securities with a lower yield than the redeemed Notes.

***A Noteholder's actual yield on the Notes may, as a result of transaction costs, be lower than the stated yield.***

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the profit potential of the Notes. For instance, credit institutions as a rule charge their clients for own commissions which are either fixed minimum commissions or pro-rata commissions depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, Noteholders must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

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

***Margin lending, where it is permitted, can materially increase the risk to a Noteholder of non-performance of the Notes.***

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

***A Noteholder's effective yield on the Notes may be diminished by the tax impact on that Noteholder of its investment in the Notes.***

Payments of interest on the Notes, or profits realised by the Noteholder upon the sale or repayment of the Notes, may be subject to taxation in its home jurisdiction or in other jurisdictions in which it is required to pay taxes. The tax impact on Noteholders generally in Germany is described under "Taxation"; however, the tax impact on an individual Noteholder may differ from the situation described for Noteholders generally.

**An investment in the Notes entails tax risks. Examples of taxation risk that investors should consider together with their advisors include the risk of double taxation (in Germany and their home jurisdiction), uncertainties as to the tax treatment of derivative Notes in Germany, special German tax rules that apply to securities held for less than a year.**

***Investors will not be able to calculate in advance their rate of return on Floating Rate Notes.***

A key difference between Floating Rate Notes and Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. If the Terms and Conditions of the Notes provide for frequent interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

***Reverse Floating Rate Notes are subject to sharp price fluctuations.***

The interest income of Reverse Floating Rate Notes is calculated in reverse proportion to the reference rate: if the reference rate increases, interest income decreases whereas it increases if the reference rate decreases. Unlike the price of ordinary Floating Rate Notes, the price of Reverse Floating Rate Notes is highly dependent on the yield of Fixed Rate Notes having the same maturity. Price fluctuations of Reverse Floating Rate Notes are parallel but are substantially sharper than those of Fixed Rate Notes having a similar maturity. Investors are exposed to the risk that long-term market interest rates will increase even if short-term interest rates decrease. In this case, increasing interest income cannot adequately offset the decrease in the reverse floater's price because such decrease is disproportionate.

***Zero coupon bonds are subject to higher price fluctuations than non-discounted bonds.***

Changes in market interest rates have a substantially stronger impact on the prices of zero coupon bonds than on the prices of ordinary bonds because the discounted issue prices are substantially below par. If market interest rates increase, zero coupon bonds can suffer higher price losses than other bonds having the same maturity and a comparable credit rating. Due to their leverage effect, zero coupon bonds are a type of investment associated with a particularly high price risk.

***An investment in Notes with derivative interest structures is subject to additional risks.***

In the case of Notes with derivative interest structures, the interest rate is coupled with a reference asset. Therefore, the interest claim is essentially subject to the risks described under "Additional Risks Relating to derivative Notes". If the Notes are terminated prematurely or sold before maturity, there will further be the risk that part of the invested capital is lost.

***Foreign currency bonds expose investors to foreign-exchange risk as well as to issuer risk.***

As purchasers of foreign currency bonds, investors are exposed to the risk of changing foreign exchange rates. This risk is in addition to any performance risk that relates to the Issuer or the type of Note being issued.

***Holders of Subordinated Notes face a significantly increased risk that the Notes will not perform as anticipated.***

In the event of any insolvency or liquidation of the Issuer, holders of Subordinated Notes would receive payments on any outstanding Subordinated Notes only after senior Noteholders and other senior creditors have been repaid in full, if and to the extent that there is still cash available for those payments. Thus, holders of Subordinated Notes generally face a higher performance risk than holders of senior Notes.

### **Additional Risk Factors Relating to Derivative Notes**

In addition to the other information contained in this Prospectus and the risk factors set out above, investors investing in derivative Notes should consider, in particular, the risks described below of investing in the derivative Notes offered. However, the information set forth below merely refers to general risks related to an investment in the derivative Notes and does not purport to be exhaustive. Please refer to the product information and the specific risk warnings, if any, set out in the relevant Final Terms.

If one or more of the risks described below occur, investors investing in derivative Securities may incur a total or partial loss of their capital invested.

**These risk warnings do not substitute advice by the investor's bank or by legal, business or tax advisers, which should in any event be obtained in order to be able to assess the consequences of an investment in derivative Notes. Investment decisions should not be made solely on the basis of the risk warnings set out in this Base Prospectus and the relevant Final Terms since such information cannot serve as a substitute for individual advice and information which is tailored to the requirements, objectives, experience, knowledge and circumstances of the investor concerned.**

***An investment in derivative Notes might not be suitable for investors who have not sufficient knowledge of the finance sector.***

An investment in derivative Notes entails significant risks if an investment in derivative Notes is not suitable for the investor. Therefore, investors should determine whether an investment in derivative Notes is appropriate in their particular circumstances. An investment in derivative Notes requires a thorough understanding of the nature of the relevant transaction. Investors should be experienced with respect to an investment in equity shares, share baskets, indices and index baskets and be aware of the related risks.

An investment in derivative Notes is only suitable for investors who:

- have the requisite knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in derivative Notes;



- have access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of their financial situation;
- are capable of bearing the economic risk of an investment in derivative Notes for an indefinite period of time; and
- recognise that it may not be possible to dispose of the derivative Notes for a substantial period of time, if at all.

***Investments in derivative Notes entail significant risks.***

An investment in derivative Notes entails significant risks that are not associated with similar investments in a conventional fixed or floating rate debt security. These risks include the possibility that:

- such index or basket of reference assets may be subject to significant changes, whether due to the composition of the index itself, or because of fluctuations in value of the basket;
- the resulting interest rate will be less (or may be more) than that payable in the case of a conventional debt security issued by the Issuer at the same time;
- the repayment of principal can occur at times other than that expected by the investor;
- the holder of a derivative Note could lose all or a substantial portion of the principal of such Note (whether payable at maturity or upon redemption or repayment), and, if the principal is lost, interest may cease to be payable on the derivative Note;
- the risks of investing in derivative Notes encompasses both risks relating to the underlying reference assets and risks that are unique to the Notes as such;
- a derivative Note that is indexed to more than one type of reference asset, or on formulas that encompass the risks associated with more than one type of asset, may carry levels of risk that are greater than Notes that are indexed to one type of asset only;
- it may not be possible for investors to hedge their exposure to these various risks relating to derivative Notes; and
- a significant market disruption could mean that the index on which the derivative Notes are based ceases to exist.

In addition, the value of derivative Notes on the secondary market is subject to greater levels of risk than is the value of other Notes. The secondary market, if any, for derivative Notes will be affected by a number of factors, irrespective of the creditworthiness of the Issuer and the value of the applicable currency, commodity, stock, interest rate or other index, including the volatility of the applicable currency, commodity, stock, interest rate or other index, the time remaining to the maturity of such Notes, the amount outstanding of such Notes and market interest rates. The value of the applicable currency, commodity, stock or interest rate index depends on a number of interrelated factors, including economic, financial and political events beyond the Issuer's control. Additionally, if the formula used to determine the amount of principal, premium and/or interest payable with respect to Indexed Notes contains a multiplier or leverage factor, the effect of any change in the applicable currency, commodity, stock, interest rate or other index will be increased. The historical experience of the relevant currencies, commodities, stocks or interest rate indices should not be taken as an indication of future performance of such currencies, commodities, stock, interest rate or other indices during the term of any derivative Note. Additionally, there may be regulatory and other ramifications associated with the ownership by certain investors of certain derivative Notes.

The respective credit ratings assigned to the Issuer's medium-term note program are a reflection of the credit status of the Issuer, and in no way a reflection of the potential impact of any of the factors discussed above, or any other factors, on the market value of any derivative Note. Accordingly, prospective investors should consult their own financial and legal advisors as to the risks entailed by an investment in derivative Notes and the suitability of such Notes in light of their particular circumstances.

***Various transactions by the Issuer could impact the performance of any derivative Notes, which could lead to conflicts of interest between the Issuer and holders of its derivative Notes.***

The Issuer is active in the international and domestic German securities markets on a daily basis. It may thus, for its own account, engage in transactions directly or indirectly involving assets that are "reference assets" under derivative Notes and may make decisions regarding these transactions in the same manner as it would if the derivative Notes had not been issued. The Issuer and its affiliates may on the issue date of the derivative Notes or at any time thereafter be in possession of information in relation to any reference assets that may be material to holders of any derivative Notes and that may not be publicly available or not known to the Noteholders. There is no obligation on the part of the Issuer to disclose any such business or information to the Noteholders.

### **Risk Factors relating to Pfandbriefe**

The Terms and Conditions of the Notes which apply to Pfandbriefe will not contain any events of default and will not be issued with the benefit of an investor put option. Furthermore, in the event of the imposition of a withholding or deduction by way of tax on interest payments under the Pfandbriefe, no additional amounts will be paid to investors so that investors will receive interest payments net of such withholding or deduction. In addition, Pfandbriefe are subject to the same risks set forth above.

### **Risk Factors relating to the Keep-well statement**

The Keep-well statement provided by WGZ BANK for the benefit of the Issuer does not constitute a guarantee. Therefore, it does not give holders of Non Equity Securities any direct payment claim against WGZ BANK in the event that the Issuer defaults with regard to payments to be made under the Non Equity Securities. No assurance is provided that WGZ BANK will remain a majority shareholder of the Issuer.

## General Information

The Issuer may for a period of up to twelve months as from the date of this Base Prospectus under the Debt Issuance Programme described herein (the "Programme") issue Notes subject to German law, Standard Notes and derivative Notes, with or without a nominal amount which may in each case be subordinated or unsubordinated or public sector Pfandbriefe and mortgage Pfandbriefe in an aggregate nominal amount of up to € 15,000,000,000. The nominal amount of the Non Equity Securities, the issue currency, the interest payable in respect of the Non Equity Securities, if any, the issue prices and maturities of the Non Equity Securities and all other terms and conditions not contained herein which are applicable to a particular tranche (as described in "Securities Description") of Non Equity Securities will be set out in the applicable Final Terms. The Non Equity Securities may be denominated in euros or other currencies as set forth in the relevant Final Terms.

Unless the applicable Final Terms state otherwise, the Non Equity Securities of a tranche or series will be represented by a Global Note, which is deposited with Clearstream Banking AG, Frankfurt, or a depositary common to Clearstream Banking, société anonyme, Luxembourg, and Euroclear Bank S.A./N.V., Brussels, as operator of the Euroclear System or another clearing system as stipulated in the Final Terms. Definitive securities will not be issued, unless the Final Terms provide for the issue of definitive securities. The Non Equity Securities may be transferred in accordance with rules of the relevant Clearing System.

The Issuer may sell these Non Equity Securities to or through underwriters, and also to other purchasers or through one or more of the dealers listed below and any other dealer appointed from time to time by the Issuer ("Dealer" or "Dealers"). The names of the Dealers will be set forth in the accompanying Final Terms.

*See "Risk Factors" for a discussion of certain factors to be considered in connection with an investment in the Non Equity Securities.*

Application has been made to list the Non Equity Securities to be issued under the Programme on the Official Market of the Düsseldorf Stock Exchange. However, the Non Equity Securities may be listed on such other or further stock exchange(s), or not listed on any stock exchange, as specified in the relevant Final Terms.

*This Base Prospectus should be read in conjunction with any supplements hereto. The final terms of an issue of securities published in the relevant Final Terms should be read in conjunction with this Base Prospectus and any supplements.*

The Non Equity Securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and are subject to certain requirements under U.S. tax law. Apart from certain exceptions, the Non Equity Securities may not be offered, sold or delivered within the United States of America or to a U.S. person (see Securities Description: Selling Restrictions).

As of the date "Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC" ("Prospectus Directive") is implemented in the relevant member states of the European Economic Area (the "Implementation Date"), the Non Equity Securities may be offered and sold to the public within such member states of the European Economic Area only in accordance with the provisions of the Prospectus Directive and the acts and regulations passed in the respective member states with regard to the implementation of the Prospectus Directive.

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

*This Base Prospectus may be used solely for the purpose of considering an investment in the Non Equity Securities described in the Base Prospectus; any other usage of this Base Prospectus is unauthorised.*

In particular, this Base Prospectus may not be reproduced or distributed, in whole or in part, and the contents of this Base Prospectus may not be disclosed. Each Noteholder agrees to such restricted use by accepting delivery of this Base Prospectus.

Only the Issuer and WGZ BANK only with respect to the sections relating solely to WGZ BANK, and, if applicable, other sources mentioned in this Base Prospectus have provided the information contained in this Base Prospectus. Neither the Dealers nor the Fiscal Agent have reviewed the accuracy and completeness of the information contained herein. Consequently, the Dealers named herein make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein nor assume any liability for the accuracy or completeness of such information.

The Issuer has not authorised the making or provision of any representation or information regarding the Issuer or the Non Equity Securities other than as contained in this Base Prospectus, any supplements, the relevant Final Terms, the Agency Agreement or the Dealer Agreement. Consequently, any such representation or information should not be relied upon as having been authorised by the Issuer or the Dealers.

As of the date of this Base Prospectus, the information contained in this Base Prospectus is, to the best of the Issuer's knowledge, in accordance with the facts. Should circumstances occur, which have the effect that information contained in this Base Prospectus, any supplements or in the relevant Final Terms is not correct anymore, the Issuer will prepare a supplement to this Base Prospectus in relation to every significant new factor, material mistake or inaccuracy relating to the information contained in this Base Prospectus and its supplements, if any, which is capable of affecting the assessment of the Non Equity Securities. The Dealers and the Fiscal Agent expressly do not undertake to review the accuracy or completeness of the information published during the life of the Base Prospectus nor to advise any investor of any information otherwise coming to the attention of the Dealers or the Fiscal Agent.

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Non Equity Securities in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The publication or distribution of this Base Prospectus and the offer or sale of Non Equity Securities may be restricted by law in certain jurisdictions. The Issuer, the Dealers and the Fiscal Agent do not represent that this Base Prospectus may be lawfully distributed, or that any Non Equity Securities may be lawfully offered, in compliance with any applicable registration, approval or other

requirements in any such jurisdiction, or pursuant to an exemption available thereunder, nor assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken or approved by the Issuer, the Dealers or the Fiscal Agent which would permit a public offering of any Non Equity Securities or distribution of this Base Prospectus in any jurisdiction where special action for that purpose is required. Accordingly, no Non Equity Securities may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

Persons into whose possession this Base Prospectus or any Non Equity Securities may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Non Equity Securities. The restrictions on the distribution of this Base Prospectus and the offer or sale of Non Equity Securities in the United States of America and with regard to U.S. persons are especially set out (see Securities Description: Selling Restrictions).

Neither the Issuer nor the Dealers or the Fiscal Agent represent or warrant that an investment in Non Equity Securities issued under the Programme is permissible under the applicable laws of any jurisdiction. Investors should satisfy themselves that they are able to bear the economic risk of an investment in the Non Equity Securities.

Neither this Base Prospectus, any supplement hereto, the relevant Final Terms nor any other information supplied in connection with the Programme or any Non Equity Securities (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, any of the Dealers or the Fiscal Agent to any person to subscribe for or to purchase any Non Equity Securities issued under the Programme. Investors contemplating an investment in the Non Equity Securities should make their own independent investigations into the financial condition and affairs, and their own appraisal of the creditworthiness of the Issuer and the terms of the Non Equity Securities issued, including the related chances and risks.

None of the Dealers or their affiliates assumes any obligation to purchase any Notes or to establish or maintain a market liquidity, and no assurances can be given that a liquid market will develop for the Non Equity Securities issued under the Programme.

## **Responsible Persons**

WL-BANK WESTFÄLSICHE LANDSCHAFT Bodenkreditbank AG with registered offices in Münster assumes responsibility for the content of this Base Prospectus.

WL-BANK WESTFÄLSICHE LANDSCHAFT Bodenkreditbank AG hereby declares that the information contained in this Base Prospectus, for which it has assumed responsibility, is, to the best of its knowledge, in accordance with the facts and that no material circumstances have been omitted.

WGZ BANK with registered office in Düsseldorf assumes responsibility for the sections "Information on WGZ BANK" and "Risk Factors Relating to WGZ BANK" in this Base Prospectus .

WGZ BANK hereby declares that the information contained in this Base Prospectus under the caption "Information on WGZ BANK" and "Risk Factors Relating to WGZ BANK" is, to the best of its knowledge, in accordance with the facts and that no material circumstances have been omitted.

## **Issuer Description**

### **Auditors**

The financial statements at and for the year ended 31 December 2004 have been audited and an unqualified audit opinion has been attached by Deutscher Genossenschafts- und Raiffeisenverband e.V., Pariser Platz 3, 10117 Berlin. Deutscher Genossenschafts- und Raiffeisenverband e.V. is a member of the institute of accountants in Germany (*Institut für Wirtschaftsprüfer in Deutschland e.V.*), 40474 Düsseldorf. The financial statements at and for the year ended 31 December 2005 have been audited and an unqualified audit opinion has been attached by DGR Deutsche Genossenschafts-Revision Wirtschaftsprüfungsgesellschaft GmbH, Adenauerallee 121, 53113 Bonn. DGR Deutsche Genossenschafts-Revision Wirtschaftsprüfungsgesellschaft GmbH is a member of the institute of accountants in Germany (*Institut für Wirtschaftsprüfer in Deutschland e.V.*), 40474 Düsseldorf.

### **Information on the Issuer**

#### ***Business history and business development of the Issuer***

The Issuer was founded by Westphalian farmers on the basis of the former Farmers' Association in 1877. This institute was meant to grant favourable real estate loans to the Westphalian farmers on a non-profit making basis. The main centres of activity were in the Westphalia-Lippe and Lower Rhine regions. In 1973, the Issuer expanded its business to include construction loans for residential and commercial properties. In 1987, the public-sector institute was transformed into a public limited company named WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, which was integrated in the cooperative Finanz Verbund.

Since then, the Issuer is consolidated within the WGZ BANK Group.

#### ***Legal and commercial name of the Issuer***

Since then, the Issuer's legal name is WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG and it conducts its business under its legal name "WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG" or under its trade name "WL-BANK".

#### ***Place of registration of the Issuer and its registration number***

The Issuer is entered into the commercial register (*Handelsregister*) of Münster under HRB 2868.

#### ***Date of formation***

The Issuer was formed in 1877 and transformed into a German public limited company (*Aktiengesellschaft*) in 1987.

#### ***Registered office and legal form***

The Issuer is organised under the laws of Germany in the form of a German stock corporation (*Aktiengesellschaft*) and has its headquarters in the city of Münster (Sentmaringer Weg 1, 48151 Münster, Germany, telephone: +49 (0)251-4905 0 facsimile: +49 (0)251-4905 111, Internet: [www.wl-bank.de](http://www.wl-bank.de)).

#### ***Corporate objects***

Corporate objects of the Issuer are engaging in real-estate and public sector loans as well as the issuance of notes in accordance with the German Pfandbrief Act (*Pfandbriefgesetz*).

## **Business Overview**

### ***Business Activities***

The Issuer's main areas of activity are the granting of real estate loans and public sector loans as well as the issuance of Pfandbriefe on the basis of the acquired claims.

The main focus of the real estate lending business is on the financing of residential objects. The focus of the state and municipal lending business is on the granting of loans to the federal government, the federal states, cities and municipalities, to domestic cooperations and public law institutions as well as to member states of the European Union or the European Economic Area and the regional governments and local authorities, and to other debtors that can be used as coverage for Pfandbriefe pursuant to the Pfandbrief Act (*Pfandbriefgesetz*).

### ***Overview of the German Pfandbrief Market***

The following is a description reduced to some of the more fundamental principles governing the laws regarding Pfandbriefe and Pfandbrief Banks in summary form and without addressing all the laws' complexities and details. Accordingly, it is qualified in its entirety by reference to the applicable laws.

### **Introduction**

Until 18 July 2005 the Issuer operated as a mortgage bank (Pfandbriefbank) under the Mortgage Bank Act in the version as published on 9 September 1998, as amended) (*Hypothekbankgesetz*). As of 19 July 2005, the Pfandbrief operations of the Issuer are subject to the new Pfandbrief Act (*Pfandbriefgesetz*).

The legislation accompanying the new Pfandbrief Act, i.e., the Act on the Reorganisation of the Law on Pfandbriefe (*Gesetz zur Neuordnung des Pfandbriefrechts*), rescinded all existing special legislation regarding the Pfandbrief business in Germany, including, inter alia, (i) the Mortgage Banking Act applicable to the existing mortgage banks such as the Issuer being specialist institutions authorized to issue Mortgage Pfandbriefe (*Hypothekpfandbriefe*) covered by mortgage loans, as well as Public Sector Pfandbriefe (*Öffentliche Pfandbriefe*) covered by obligations of public sector debtors (and, in each case, by certain other qualifying assets), (ii) the Act on Pfandbriefe and Related Bonds of Public- Law Credit Institutions (*Gesetz über die Pfandbriefe und verwandten Schuldverschreibungen öffentlich-rechtlicher Kreditanstalten*) in the version as published on 9 September 1998, as amended, applicable to various types of public sector banks, in respect of Mortgage Pfandbriefe and Public Sector Pfandbriefe issued by them, and (iii) finally, the Ship Banking Act (*Schiffsbankgesetz*), as last amended on 5 April 2004, governing the operations of ship mortgage banks issuing Ship Mortgage Pfandbriefe (*Schiffspfandbriefe*).

The new Pfandbrief Act abolishes the concept of specialist Pfandbrief institutions hitherto prevailing in respect of the existing mortgage banks and ship mortgage banks. It establishes a new and uniform regulatory regime for all German credit institutions. As of 19 July 2005 onwards, all German credit institutions are permitted, subject to authorization and further requirements of the Pfandbrief Act, to engage in the Pfandbrief business and to issue Mortgage Pfandbriefe, Public Sector Pfandbriefe as well as Ship Mortgage Pfandbriefe, and, from such date onwards, existing mortgage banks and ship mortgage banks will be authorized to engage in most other types of banking transactions, eliminating the limitations in respect of the scope of their permitted business which existed in the past. The Act thus creates a level playing field for all German credit institutions, operating as universal banks and engaged in the issuance of Pfandbriefe.

German credit institutions wishing to take up the Pfandbrief business must obtain special authorisation under the Banking Act (*Kreditwesengesetz*) from the Federal Financial Services



Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht – "BaFin"*) and, for that purpose, must meet some additional requirements as specified in the Pfandbrief Act.

Mortgage banks such as the Issuer and ship mortgage banks, that operated as such up to 19 July 2005 as well as public sector banks carrying on the Pfandbrief business up to such date, are all grandfathered in respect of authorization for the particular type of Pfandbrief business in which they were engaged at such time, subject to giving a comprehensive notice to the BaFin by 18 October 2005. As of 19 July 2005, mortgage banks and ship mortgage banks are authorized to engage in a broad spectrum of other banking transactions, including, inter alia, deposit taking, the extension of credits, securities custody, the guarantee business, underwriting as well as others, up to then not permitted to be carried out by them.

The operations of all banks engaged in the issuance of Pfandbriefe are as from 19 July 2005 regulated by the Pfandbrief Act and the Banking Act, and are subject to the prudential supervision of the BaFin. In particular, the BaFin carries out audits of the assets forming part of any Cover Pool, regularly in bi-annual intervals.

In this summary, banks authorized to issue Pfandbriefe will generally be referred to as "Pfandbrief Banks" which is the term applied by the Pfandbrief Act.

### **Rules applicable to all types of Pfandbriefe**

Pfandbriefe are standardized debt instruments issued by a Pfandbrief Bank. The quality and standards of Pfandbriefe are strictly governed by provisions of the Pfandbrief Act and subject to the prudential supervision of the BaFin. Pfandbriefe generally are medium- to long-term bonds, typically with an original maturity of two to ten years, which are secured or "covered" at all times by a pool of specified qualifying assets (*Deckung*), as described below. Pfandbriefe are recourse obligations of the issuing bank, and no separate vehicle is created for their issuance generally or for the issuance of any specific series of Pfandbriefe. Pfandbriefe may not be redeemed at the option of the holders prior to maturity.

As mentioned before, Pfandbriefe may either be Mortgage Pfandbriefe, Public Sector Pfandbriefe or Ship Mortgage Pfandbriefe. The outstanding Pfandbriefe of any one of these types must be covered by a separate pool of specified qualifying assets: a pool for Mortgage Pfandbriefe only, a pool only for Public Sector Pfandbriefe, and a pool covering all outstanding Ship Mortgage Pfandbriefe (each a "Cover Pool"). An independent trustee appointed by the BaFin has wide responsibilities in monitoring the compliance by the Pfandbrief Bank with the provisions of the Pfandbrief Act. In particular, the trustee monitors the sufficiency of the cover assets and maintains a register listing the assets provided as cover from time to time in respect of the Pfandbriefe of any given type.

The aggregate principal amount of assets in these Cover Pools must at all times at least be equal to the aggregate principal amount of the outstanding Pfandbriefe issued against such Cover Pool. Moreover, the aggregate interest yield on any such Cover Pool must at all times be at least equal to the aggregate interest payable on all Pfandbriefe relating to the Cover Pool. In addition, the coverage of all outstanding Pfandbriefe with respect to principal and interest must also at all times be ensured on the basis of the present value (*Barwert*). Finally, the present value of the assets contained in the Cover Pool must exceed the total amount of liabilities from the corresponding Pfandbriefe and derivatives by at least 2 per cent (*sichernde Überdeckung*).

Such 2 per cent excess cover must consist of highly liquid assets. Qualifying assets for the excess cover are (i) debt securities of the German government, a special fund of the German government, a German state, the European Communities, the states comprising the European Economic Area, Switzerland, the United States, Canada, Japan, any other European state with full OECD member status, the European Investment Bank, the World Bank, the Council of Europe Development Bank, or the European Bank for Reconstruction and Development; (ii) debt securities guaranteed by any

of the foregoing entities; and (iii) credit balances maintained with the European Central Bank, the central banks of the member states of the European Union and appropriate credit institutions.

The Pfandbrief Bank must record in the register of cover assets for any Cover Pool of a given Pfandbrief type each asset and the liabilities arising from derivatives. Derivatives may be entered in such register only with the consent of the trustee and the counterparty.

The Pfandbrief Bank must command over an appropriate risk management system meeting the requirements specified in detail in the Pfandbrief Act and must comply with comprehensive disclosure requirements on a quarterly and annual basis set out in detail in the Pfandbrief Act.

#### **Cover Pool for Mortgage Pfandbriefe**

The principal assets qualifying for the Cover Pool for Mortgage Pfandbriefe are loans secured by land charges which may serve as cover up to the initial 60 per cent. of the value of the property, as assessed with comprehensive evaluation rules designed to arrive at the fair market value of the property.

The property that may be encumbered by land charges must be situated in a state of the European Economic Area, Switzerland, the United States, Canada or Japan.

In addition, the Cover Pool for Mortgage Pfandbriefe may comprise a limited portion of other assets as follows: (i) equalization claims converted into bonds; (ii) subject to certain qualifications, those assets which may also be included in the 2 per cent excess cover described above, up to a total sum of 10 per cent. of the aggregate principal amount of outstanding Mortgage Pfandbriefe; (iii) the assets which may also be included in the Cover Pool for Public Sector Pfandbriefe referred to below, up to a total of 20 per cent. of the aggregate principal amount of outstanding Mortgage Pfandbriefe, whereby the assets pursuant to (ii) above will be deducted, and, finally, (iv) claims arising under interest rate and currency swaps as well as under other qualifying derivatives contracted under standardized master agreements with certain qualifying counterparties, provided that it is assured that the claims arising under such derivatives will not be prejudiced in the event of the insolvency of the Pfandbrief Bank or any other Cover Pool maintained by it. The amount of the claims of the Pfandbrief Bank arising under derivatives which are included in the Cover Pool measured against the total amount of all assets forming part of the Cover Pool as well as the amount of the liabilities of the Pfandbrief Bank arising from such derivatives measured against the aggregate principal amount of the outstanding Mortgage Pfandbriefe plus the liabilities arising from derivatives may in either case not exceed 12 per cent., calculated in each case on the basis of the net present values.

#### **Cover Pool for Public Sector Pfandbriefe**

The Cover Pool for Public Sector Pfandbriefe may comprise payment claims under loans, bonds or similar transactions or other claims of a wide spectrum of states and other public instrumentalities, including, but not limited to: (i) the German government as well as any German federal state, municipality or other qualifying public body in Germany; (ii) any state of the European Economic Area, Switzerland, the United States, Canada or Japan; (iii) any other European state with full OECD member status; (iv) the regional governments and local territorial authorities if certain solvability conditions are met; (v) non-profit administrative authorities of states mentioned under (ii) above controlled by the central or regional governments or local territorial authorities of the states referred to in (ii) above if certain solvability conditions are met; (vi) the European Investment Bank, the World Bank, the Council of Europe Development Bank, or the European Bank for Reconstruction and Development; and, finally, (vii) any entity the obligations of which are guaranteed by a public entity referred to or mentioned in (i) through (iv) and (vi) above.

The Cover Pool may furthermore include the following assets: (i) equalization claims converted into bonds; (ii) credit balances maintained with the European Central Bank, a central bank of any

EU member state or a suitable credit institution, up to 10 per cent. of a total sum of the aggregate principal amount of outstanding Public Sector Pfandbriefe; and (iii) claims arising under derivatives as mentioned above, subject to the conditions and restrictions described in such paragraph. The limitations which apply to Mortgage Pfandbriefe apply here as well.

#### **Cover Pool for Ship Mortgage Pfandbriefe**

The principal assets of the Cover Pool for Ship Mortgage Pfandbriefe are loans secured by ship mortgages. Any such mortgage may serve as cover up to an amount not exceeding 60 per cent of the fair market value of the ship.

In addition, the Cover Pool for Ship Mortgage Pfandbriefe may include other assets of the kind which qualify for a Cover Pool of Mortgage Pfandbriefe (see above).

#### **Insolvency Proceedings**

In the event of the institution of insolvency proceedings over the assets of the Pfandbrief Bank, any Cover Pool maintained by it would not be part of the insolvency estate, and, therefore, such insolvency would not automatically result an insolvency of any Cover Pool. Only if at the same time or thereafter the relevant Cover Pool were to become insolvent, separate insolvency proceedings would be initiated against such Cover Pool by the BaFin. In this case, holders of Pfandbriefe would have the first claim on the respective Cover Pool. Their preferential right would also extend to interest on the Pfandbriefe accrued after the commencement of insolvency proceedings. Furthermore, but only to the extent that holders of Pfandbriefe suffer a loss, holders would also have recourse to any assets of the Pfandbrief Bank not included in the Cover Pools. As regards those assets, holders of the Pfandbriefe would rank equal with other unsecured and unsubordinated creditors of the Pfandbrief Bank.

One or two administrators (*Sachwalter* – "Administrator") will be appointed in the case of the insolvency of the Pfandbrief Bank to administer each Cover Pool for the sole benefit of the holders of Pfandbriefe. The Administrator will be appointed by the court having jurisdiction at the location of the head office of the Pfandbrief Bank at the request of the BaFin before or after the institution of insolvency proceedings. The Administrator will be subject to the supervision of the court and also of the BaFin with respect to the duties of the Pfandbrief Bank arising in connection with the administration of the assets included in the relevant Cover Pool. The Administrator will be entitled to dispose of the Cover Pool's assets and receive all payments on the relevant assets to ensure full satisfaction of the claims of the holders of Pfandbriefe. To the extent, however, that those assets are obviously not necessary to satisfy such claims, the insolvency receiver of the Pfandbrief Bank is entitled to demand the transfer of such assets to the insolvency estate.

Subject to the consent of the BaFin, the Administrator may transfer all or part of the cover assets and the liabilities arising from the Pfandbriefe issued against such assets to another Pfandbrief Bank.

## Information of Financial Condition and Results of Operations

### Capitalisation

The following table sets forth the capitalisation of the Issuer for the years as at 31 December 2005 and 2004 as derived from the audited Financial Statements for the years as at 31 December 2005 and 2004.

Liabilities:	As at 31 December	
	2005	2004
	(in thousands of euros)	
<b>Current liabilities</b> .....	<b>5,840,516</b>	<b>5,297,642</b>
Certificated liabilities (maturity less than one year).....	3,333,281	2,900,757
Current liabilities (maturity less than one year).....	2,507,235	2,396,885
 <b>Long-term liabilities</b> .....	 <b>25,317,980</b>	 <b>20,179,315</b>
Certificated liabilities (maturity greater than one year).....	15,823,432	13,156,967
Long-term liabilities (maturity greater than one year).....	9,494,548	7,022,348
 <b>Trust liabilities</b> .....	 <b>23,824</b>	 <b>27,343</b>
<b>Other liabilities</b> .....	<b>29,579</b>	<b>24,756</b>
 <b>Deferred income</b> .....	 <b>61,612</b>	 <b>50,091</b>
 <b>Provisions</b> .....	 <b>24,467</b>	 <b>16,726</b>
Pension provisions and similar provisions.....	9,585	7,343
Tax provisions.....	5,191	1,096
Other provisions.....	9,691	8,287

### Capitalisation of the Issuer

Capitalisation:	As at 31 December	
	2005	2004
	(in thousands of euros)	
<b>Subordinated Liabilities</b> .....	<b>112,406</b>	<b>110,302</b>
 <b>Profit participation right capital</b> .....	 <b>79,678</b>	 <b>84,790</b>
 <b>Equity</b> .....	 <b>301,314</b>	 <b>292,560</b>
Subscribed capital.....	85,376	85,376
Capital reserves.....	153,108	153,108
Retained earnings.....	48,100	41,160
required by law.....	700	700
Other retained earnings.....	47,400	40,460

## Selected Financial Information

The Issuer's financial statements at and for the years ended 31 December 2005 and 2004 have been prepared on the basis of adequate and orderly accounting principles. The audit report for the financial statements of the Issuer as of and for the year ended 31 December 2004 was issued by Deutscher Genossenschafts- und Raiffeisenverband e.V. The audit report for financial statements of the Issuer as of and for the year ended 31 December 2005 was issued by DGR Deutsche Genossenschafts-Revision Wirtschaftsprüfungsgesellschaft mbH as stated therein. The line items set out below are derived from those audited statements but are a reformatted version of what is presented under the section "Financial Information" of this Base Prospectus.

### Balance Sheet of the Issuer

	<b>As at 31 December</b>	
	<b>2005</b>	<b>2004</b>
	<b>(in thousands of euros)</b>	
<b>Assets</b>		
<b>Cash balance</b> .....	10,530	117
<b>Loans and advances to banks</b>	5,818,064	4,239,161
Mortgage loans .....	45,302	47,014
Local authority loans .....	5,158,851	3,920,398
Other loans .....	613,911	271,749
<b>Loans and advances to customers</b> .....	16,609,154	14,793,461
Mortgage loans .....	7,054,735	6,667,647
Local authority loans .....	9,553,575	8,125,208
Other loans .....	844	606
<b>Debt Securities and other fixed-interest securities</b> .....	9,021,486	6,788,191
<b>Shareholdings</b> .....	66	66
<b>Trust estate</b> .....	23,824	27,343
<b>Intangible assets</b> .....	66	36
<b>Tangible assets</b> .....	21,279	21,659
<b>Other Assets</b> .....	5,001	3,792
<b>Accrued and deferred items</b> .....	281,906	209,699
<b>Total Assets</b> .....	<b>31,791,376</b>	<b>26,083,525</b>

	<b>As at 31 December</b>	
	<b>2005</b>	<b>2004</b>
	<b>(in thousands of euros)</b>	
<b>Liabilities</b>		
<b>Liabilities with banks</b> .....	4,500,215	3,629,077
Registered mortgage Pfandbriefe issued .....	491,346	460,073
Registered public sector Pfandbriefe issued .....	1,636,944	916,888
Other liabilities.....	2,371,925	2,252,116
<b>Liabilities with customers</b> .....	7,501,568	5,790,156
Registered mortgage Pfandbriefe issued .....	2,059,469	2,088,700
Registered public Pfandbriefe issued .....	4,739,909	3,260,183
Other liabilities.....	702,190	441,273
<b>Certificated liabilities</b> .....	19,156,713	16,057,724
Mortgage Pfandbriefe.....	3,465,537	3,285,476
Public sector Pfandbriefe .....	15,121,083	12,595,925
Other bonds .....	570,093	176,323
<b>Trust liabilities</b> .....	23,824	27,343
<b>Other liabilities</b> .....	29,579	24,756
<b>Deferred income</b> .....	61,612	50,091
<b>Provisions</b> .....	24,467	16,726
Pension provisions and similar provisions .....	9,585	7,343
Tax provisions.....	5,191	1,096
Other provisions.....	9,691	8,287
<b>Subordinated liabilities</b> .....	112,406	110,302
<b>Profit participation right capital</b> .....	79,678	84,790
<b>Equity</b> .....	301,314	292,560
Subscribed capital .....	85,376	85,376
Capital reserves .....	153,108	153,108
Retained earnings .....	48,100	41,160
Statutory reserves.....	700	700
Other retained earnings .....	47,400	40,460
Balance Sheet Profit.....	14,730	12,916
<b>Total liabilities</b> .....	<b>31,791,376</b>	<b>26,083,525</b>

## Profit and Loss Account of the Issuer

	At 31 December	
	2005	2004
	(in thousands of euros)	
<b>Operating income</b>	<b>73,641</b>	<b>66,526</b>
Net interest income .....	86,822	78,289
Net commission income .....	(14,207)	(12,216)
Other net operating income .....	1026	453
<b>General management costs</b> .....	<b>29,423</b>	<b>26,718</b>
Personnel expenses .....	16,333	13,428
Other administrative expenses .....	13,090	13,290
Depreciation and value adjustments of intangible and tangible fixed assets .....	1,060	1,127
<b>Operating profit before risk provisions/evaluation</b> .....	<b>43,158</b>	<b>38,682</b>
Depreciation and value adjustments of accounts receivable and fixed securities and appropriation to reserves in the lending business a accounts rwe .....	15,306	16,930
<b>Operating profit after risk provisions/evaluation</b> .....	<b>27,852</b>	<b>21,752</b>
Taxes on income and profit .....	13,022	8,763
Other taxes .....	100	72
<b>Net profit</b> .....	<b>14,730</b>	<b>12,916</b>

## Coverage calculation of the Issuer

	At 31 December	
	2005	2004
	(in thousands of Euros)	
<b>Coverage calculation<sup>1</sup></b>		
<b>A. Mortgage Pfandbriefe</b>		
Regular coverage		
1. Loans to banks and customers (mortgage loans) .....	6,047,161	5,815,850
2. Fixed assets (land charges and WL Bank's own real estate) .....	3,835	3,835
Reductions .....	1,147	1,029
<b>Total</b> .....	<b>6,049,849</b>	<b>5,818,656</b>
Additional coverage		
1. Other loans to banks .....	0	0
2. Debt securities and other fixed interest securities .....	236,183	294,628
Amount of total coverage .....	6,286,032	6,113,284
Total amount of required coverage for mortgage Pfandbriefe .....	5,906,487	5,727,983
<b>Excess coverage</b> .....	<b>379,545</b>	<b>385,301</b>
 <b>B. Public sector Pfandbriefe</b>		
Regular coverage		
1. Loans to banks and customers (local authority loans) .....	13,816,697	11,515,485
2. Debt securities and other fixed interest securities .....	7,841,200	5,997,769
<b>Total</b> .....	<b>21,657,897</b>	<b>17,513,254</b>
Additional coverage		
1. Other loans to banks and customers .....	218,000	0
2. Debt securities and other fixed interest securities .....	0	0
Amount of total coverage .....	21,875,897	17,513,254
Total amount of required coverage for public sector Pfandbriefe .....	21,128,933	16,457,037
<b>Excess coverage</b> .....	<b>746,964</b>	<b>1,056,217</b>

<sup>1</sup> In accordance with section 4 subsection 4 of the German Mortgage Bond Act (*Pfandbriefgesetz*).



## **Description of main activities and services , important new products/services , important markets and competitive position**

### **Real Estate Lending Business**

The main focus of the real estate lending business is on the financing of residential objects. Apart from that, also commercially used, multi-function properties are financed. Most of the objects serving as collateral for real estate financing are located in Germany, mainly in the North Rhine-Westphalia region, and in addition in Northern Germany and in Berlin as well as in the Eastern German states.

The main target groups are self-users of properties, the institutional housing sector as well as investors. New real estate lending is being done, on the one hand, in the Verbund business through the mediation of the industrial and agricultural credit cooperatives (*Volksbanken und Raiffeisenbanken*) and, on the other hand, in direct business, above all with the institutional housing sector.

The mortgage portfolio is characterised by a large number of lower volume loans and a high proportion of real estate loans.

In the last few years, the Issuer has continually expanded its market position to become one of the largest providers of real estate financing in the state of Northrhine-Westphalia. The environment is characterised by competition within the cooperative FinanzVerbund, but also with the local savings banks and, increasingly, with direct providers and internet banks.

### **State and Municipal Lending Business**

The focus of the state and municipal lending business is on the granting of loans to the Federal government, the Federal states, cities and municipalities, to domestic corporations and public law institutions, as well as to member states of the European Union or the European Economic Area and their regional governments and local authorities, and to other debtors that can be used as coverage for Pfandbriefe pursuant to the Pfandbrief Act.

The granting of municipal loans is carried out through direct contacts with the municipalities, through the regional activities of the local industrial and agricultural credit cooperatives (*Volksbanken und Raiffeisenbanken*) in the Verbund business, and through other mediators. The loan portfolio with the cities and communities is characterised by nationwide diversification with focus on North Rhine-Westphalia. Most of the loans are fixed-rate annuity loans with long maturities.

The higher-volume state lending business, which goes beyond the municipal lending, is mostly carried out by domestic and internationally active capital market partners buying bonds and registered bonds. Debtors in the state lending business are primarily the German Federal states, German public-sector financial institutions with guarantor's liability by a public authority, as well as states and regions within the EU/EEA.

### **Other Capital Market Business**

Apart from the granting of mortgage loans and public-sector loans, liquid assets are invested in the bonds of European private law banks with a minimum rating of single A- (Standard & Poor's or Fitch) or A3 (Moody's). For reasons of liquidity control and interest rate management, money and derivatives lines have been provided to selected financial institutions.

The Issuer refinances its active business mainly through the issuance of public sector and mortgage Pfandbriefe in the form of bearer bonds and registered bonds. That part of the lending

business which is not available to cover Pfandbriefe is refinanced by other uncovered bonds and money market transactions.

## **Corporate Organisation**

### ***Description of Group***

#### ***Corporate Organisation***

As at the date of this Base Prospectus, the Issuer is consolidated in WGZ BANK Group as a 90.19% subsidiary, 0.28% direct holdings and 89.9% holdings through WGZ BANK's 100% subsidiary Wegeno Verwaltungsgesellschaft mbH. The Issuer forms an integral part of the WGZ BANK Group, which will be described in other parts of this Base Prospectus (see "Information on WGZ BANK" in the subsection "Business Overview", page 51).

Within the WGZ BANK Group, the Issuer operates as partner to the local industrial and agricultural credit cooperatives (*Volksbanken- und Raiffeisenbanken*). Its main focus is on real estate objects (*wohnwirtschaftliche Objekte*). Within the framework of the orientation towards its customers, the Issuer is the main entity (*Kompetenzcenter*) within the WGZ BANK Group focusing on the local authority loan business (*Kommunalkreditgeschäft*) within the WGZ BANK Group. In addition, the Issuer issues Pfandbriefe and unsecured bearer bonds.

#### ***Affiliation statement (Abhängigkeitserklärung)***

As at the date of this Base Prospectus, WGZ BANK is the parent company of the Issuer and holds 90.19% of the Issuer's share capital, and therefore it is the majority owner of the Issuer. Accordingly, the Issuer is a subsidiary of WGZ BANK within the meaning of section 1 sub-section 7 German Banking Act (*Kreditwesengesetz – "KWG"*) as well as an affiliate of WGZ BANK within the meaning of section 17 sub-section 2 German Stock Company Act (*Aktiengesetz – "AktG"*).

## **Information on Business Trends**

### ***Explanation with respect to "Material Adverse Change"***

Since the disclosure of the last audited financial statement on 31 December 2005, there have been no significant or material adverse changes in the financial condition or the business prospects of the Issuer.

## Corporate Bodies

### **Management and Supervisory Bodies**

The Issuer has both a supervisory board (*Aufsichtsrat*), a management board (*Vorstand*) and in addition, an advisory board (*Beirat*). As required by German corporate law, the supervisory and management board are separate and no individual may be a member of both boards at the same time. The management board directs the Issuer and is responsible for managing the Issuer's business in accordance with applicable law, the Issuer's memorandum and articles of association and the policies and procedures established by the supervisory board. The supervisory board's principal function is to supervise the Issuer's management board. This includes establishing policies and procedures for the management board and to appoint and remove the members of the management board. In addition, the supervisory board must, under the policies and procedures it has enacted, grant its prior consent to certain major transactions, such as large capital expenditures and strategic investments.

In carrying out its duties, each member of either management or supervisory board must exercise the due care and diligence of a prudent business person.

No member of the Management Board performs activities outside the Issuer which are significant to the Issuer.

### **Management Board**

WL-BANK's management board is currently comprised of three members who generally meet weekly. The management board is responsible for managing the Issuer's business. The management board's business address is: WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, Sentmaringer Weg 1, 48151 Münster, Germany.

As at the date of this Base Prospectus, the members of the Issuer's management board are: Günter Lampe (Münster), Helmut Rausch (Erkrath) and Dr. Thomas Sommer (Steinfurt).

### **Supervisory Board**

The Issuer's supervisory board consists of eleven members. The supervisory board appoints a chairman and a vice chairman from among its members. At least 2/3 of the members, including the chairman or its deputy, of the supervisory board must be present to constitute a quorum. Unless otherwise provided for by law, the supervisory board passes resolutions by a simple majority. In the event of a tie, including at elections, the chairman of the meeting has the decisive vote. The business addresses of the supervisory board members are: WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, Sentmaringer Weg 1, 48151 Münster, Germany.

As at the date of this Base Prospectus, the members of the Issuer's supervisory board are the following:

<b>Name</b>	<b>Position</b>	<b>Main activity/Place of residence</b>
Franz-Josef Möllers*	Chairman	President of Westfälisch-Lippischer Landwirtschaftsverbandes e.V. and chairman of the head office of the foundation Westfälische Landschaft/Hörstel-Riesenbeck
Werner Böhnke*	Deputy Chairman	Chairman of the management board of WGZ-Bank Westdeutsche Genossenschaftszentralbank AG/Düsseldorf
Dr. Wolfgang Baecker*	Member	Chairman of the management board of VR-Bank Westfälische Landschaft

<b>Name</b>	<b>Position</b>	<b>Main activity/Place of residence</b>
		Westmünsterland e.G./Nottuln
Hans-Willi Gehr*	Member	Member of the management board of Volksbank Gelderland eG/Straelen
Günter Jobs**	Member	Bank employee of WL-Bank/Senden
Alfons Licher**	Member	Authorised signatory of WL-Bank/Telgte
Nicole Menke**	Member	Authorised signatory of WL-Bank/Münster
Rainer Peters*	Member	Member of the management board of Volksbank Halle/Westfalen e.G./Halle
Rolf Schönherr**	Member	Authorised signatory of WL-Bank/Nottuln
Werner Schulze Eskin* <sup>*</sup>	Member	Deputy chairman of the head office of the Stiftung Westfälische Landschaft/Billerbeck
Thomas Ullrich*	Member	Member of the management board of WGZ-Bank Westdeutsche Genossenschafts-Zentralbank AG/Dorsten

\* Supervisory board member appointed as shareholder representative.

\*\* Supervisory board member appointed as employees representative.

### ***Shareholders' meeting***

The annual general meeting of shareholders shall be held within the first 8 months of each financial year. At their annual meeting, the shareholders are, among other things, responsible for the election of the members of the supervisory board, deciding on the utilisation of retained earnings, appointment of the auditors and the approval of the financial statement.

### ***Conflict of Interests***

The Issuer states that there are no potential conflicts of interests between the Issuer and the members of the management board or the supervisory board of their obligations towards the Issuer as well as their private interests and other responsibilities.

### **Principal Shareholders**

#### ***Principal Shareholders***

As at the date of this Base Prospectus, WGZ BANK owns 90.19% of the share capital of the Issuer, 0.28% by way of direct holdings and 89.9% through its 100% subsidiary Wegeno Verwaltungsgesellschaft mbH. Stiftung Westfälische Landschaft (4.62%) and the industrial and agricultural credit cooperatives (*Raiffeisenbanken und Volksbanken*) hold the remaining shares (5,19%).

### **Trend Information**

Since the date of the last published audited financial statements, there have been no material adverse changes in the prospects of the Issuer.

## **Financial Information**

### **Historic Financial Information**

The financial statements of the Issuer for the years 2004 and 2005 have been prepared in accordance with the German Accounting Standards ("GAS"): principles of orderly accounting pursuant to the provisions of the German Commercial Code (*Handelsgesetzbuch* – "HGB"), the German Stock Corporation Act (*Aktiengesetz* – "AktG"), supplemented by the Ordinance Regarding Accounting for Banks and Financial Services Institutions (*Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute* – "RechKredV").

### **Financial Statements, Management Report and Flow of Funds Analysis of the Issuer for the years as at 31 December 2004 and 2005**

The management report, the balance sheet, the income statement, the auditors' report as well as the notes relating to the financial statements for the years ended 31 December 2004 and 2005 are incorporated by reference to the Issuer's audited annual report as at and for the year ended 31 December 2004 on pages 19-50 of the audited annual report 2004 and the Issuer's audited annual report as at and for the year ended 31 December 2005 on pages 55-89 of the audited annual report 2005 deposited with the Düsseldorf Stock Exchange. The cash-flow statements for the years ended as 31 December 2004 and 2005 are shown on page F-2 up to F-3.

### **Audit of the financial statement**

The auditors' unqualified report for the financial statements of the Issuer at and for the year ended 31 December 2004 was issued by Deutscher Genossenschafts- und Raiffeisenverband e.V., Pariser Platz 3, 10117 Berlin. Deutscher Genossenschafts- und Raiffeisenverband e.V. is a member of the institute of accountants in Germany (*Institut für Wirtschaftsprüfer in Deutschland e.V.*), 40474 Düsseldorf. The auditors' unqualified report for the financial statements of the Issuer at and for the year ended 31 December 2005 was issued by DGR Deutsche Genossenschafts-Revision Wirtschaftsprüfungsgesellschaft GmbH, Adenauer Allee 121, 53113 Bonn. DGR Deutsche Genossenschafts-Revision Wirtschaftsprüfungsgesellschaft GmbH is a member of the Institute of Accountants in Germany (*Institut für Wirtschaftsprüfer in Deutschland e.V.*), 40474 Düsseldorf.

### **Litigation and arbitration proceedings**

#### **Legal proceedings**

The Issuer is not involved, nor was it involved in the last twelve months before the publication of this Base Prospectus, in any governmental interventions, legal proceedings or arbitration proceedings that possibly will have or have recently had noticeable impact on the financial situation or profitability of the Issuer nor is the Issuer aware that such governmental interventions, legal proceedings or arbitration proceedings are pending or threatened.

### **Material changes in the financial and income/profit situation**

Since the last audited financial statements, there have not been any material changes in the financial condition and results of operations of the Issuer.

### **Important Agreements**

The Issuer is a member of the security system (*Sicherungseinrichtung*) of the Federal Association of German Volksbanken and Raiffeisenbanken (*Bundesverband der Deutschen Volksbanken und Raiffeisenbanken* "BVR"). The security system of the BVR is regulated by articles of association. All member banks pay solidarity contributions. The member banks themselves are protected; in

particular, the liquidity and solvency are guaranteed; thus, all customer deposits are fully secured at any time.

With the exception of political risks and to the extent of its shareholding in the Issuer, WGZ BANK will, by a keep well statement (*Patronatserklärung*), ensure that the Issuer will be able to meet its obligations when due.

## **Description of WGZ BANK**

WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank issued a keep-well statement in favour of the Issuer which states that WGZ BANK will provide – except for political risks – the Issuer with sufficient capital in the maximum amount of its participation in the Issuer's share capital, so that the Issuer will be in a position to pay all its debts when due so long as WGZ BANK holds any share capital of the Issuer. Accordingly, WGZ BANK is described in the following chapter:

## **Responsibility for Prospectus Content**

WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank, Ludwig-Erhard-Allee 20, 40227 Düsseldorf, Germany, assumes responsibility for the information provided in this registration form pursuant to section 5 sub-section 4 of the German Securities Prospectus Act (*Wertpapierprospektgesetz* - WpPG) with regard to the section "Information on WGZ BANK" and "Risk Factors Relating to WGZ BANK".

WGZ BANK declares hereby that it has exercised due care in order to make sure that the information provided in this registration form is correct and accurate according to its knowledge and that it did not conceal anything which could alter the information provided in this registration form.

## **Auditors**

The annual financial statements and the consolidated financial statements for the financial years 1993 to 2005 have been audited without qualification by Deutscher Genossenschafts- und Raiffeisenverband e.V. (DGRV), Pariser Platz 3, 10117 Berlin, Germany. DGRV is a member of the German Institute of Certified Public Accountants (*Institut der Wirtschaftsprüfer in Deutschland e.V.* - IDW), 40474 Düsseldorf, Germany.

## **Information on WGZ BANK**

### **Business history and business development**

WGZ BANK is a stock corporation under German law (*Aktiengesellschaft deutschen Rechts*). WGZ BANK's registered seat is at Ludwig-Erhard-Allee 20, 40227 Düsseldorf, Germany. The company can be contacted by phone at 0211/778-0. The commercial name of the company is "WGZ BANK" or "WGZ BANK – Die Initiativbank".

WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank was created in 1970 as a result of the merger between Ländliche Centalkasse, Münster, founded in 1884, Genossenschaftliche Zentralbank Rheinland, Cologne, founded in 1892, and Zentralkasse Westdeutscher Volksbanken, Münster/Cologne, founded in 1897. On 10 June 2005, the general meeting of WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank decided a change of the legal form and transformed the company from a registered cooperative into a stock corporation under German law. WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank was registered in the commercial register of the local court (*Amtsgericht*) of Düsseldorf on 26 August 2005 under the number HRB 52363.

According to its articles of association, the corporate purpose of WGZ BANK is the economic promotion of its shareholders. WGZ BANK is the central credit institution of its shareholders within the scope of the credit cooperative and carries out usual banking operations of any kind, including the acquisition of interests.



## Corporate Organisation

WGZ BANK is the parent company of the WGZ BANK Group and includes - in addition to WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank, Düsseldorf, WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, Münster, WGZ-Bank Luxembourg S.A, Luxembourg, WGZ-Bank Ireland plc, Dublin, as well as twelve other subsidiaries. Besides the banks being part of the group, there are some other important subsidiaries, namely WGZ Initiativkapital GmbH, WGZ Immobilien + Treuhand GmbH and WGZ Corporate Finance Beratung GmbH.

The subsidiaries, among other things, assume the following functions:

- WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG is the largest consolidated subsidiary of WGZ BANK. It is an active partner of the so-called Volks- und Raiffeisenbanken, offering a comprehensive product range for long-term real estate financings. Since the year 2005, WL-BANK has also been the Group's competence centre for public-sector clients at home and abroad. WGZ BANK owns 90.19% of the share capital (as at December 31, 2005).
- WGZ Initiativkapital GmbH, Münster  
As a wholly owned subsidiary of WGZ BANK, WGZ Initiativkapital GmbH is responsible for the entire equity business of the WGZ BANK Group. It invests mainly in small to medium-sized companies of different sectors. WGZ BANK owns 100% of the share capital.
- WGZ Immobilien + Treuhand GmbH, Münster  
WGZ-Immobilien + Treuhand GmbH is a wholly owned subsidiary of WGZ BANK. Its comprehensive real estate offer called "*Rund um die Immobilie*" includes the provision of advice and operative services to municipalities, the private sector and cooperative companies within the area in which WGZ BANK operates its business. WGZ BANK owns 100% of the share capital.
- WGZ Corporate Finance Beratung GmbH, Düsseldorf  
WGZ Corporate Finance Beratung GmbH concentrates advice services with regard to investment banking activities provided by WGZ BANK and specialises in the areas of M&A and Corporate Finance. It advises its national and international clients on all equity-related issues. WGZ BANK owns 80% of the share capital.
- WGZ-Bank Luxembourg S.A., Luxembourg  
WGZ-Bank Luxembourg S.A. is a corporation under Luxembourg law in which WGZ BANK holds a capital participation of 80.19%; other shareholders are the *Volks- und Raiffeisenbanken*. Its activities focus on retail banking, as well as the custody and foreign currency loan business.
- WGZ-Bank Ireland plc, Dublin  
WGZ-Bank Ireland plc, having its seat in Dublin, is a wholly owned subsidiary of WGZ BANK. It offers refinancing funds to the *Volks- und Raiffeisenbanken* of the regional finance association (*Regionalen Finanz Verbund*) and carries out international loan syndication transactions. WGZ BANK owns 100% of the share capital.

## Business Overview



WGZ BANK is the central bank of 235 *Volks- und Raiffeisenbanken* in North Rhine-Westphalia (member banks) and the administrative districts of Koblenz and Trier in Rhineland-Palatinate. Together with its member banks it forms the regional finance association (*Regionaler Finanz Verbund*). The promotion and reinforcement of the competitiveness of this group of core clients represents the main business objective of WGZ BANK. In order to provide services to its member banks and further clients, WGZ BANK operates branches in Düsseldorf, its principal place of business, as well as in Koblenz and Münster. With regard to those *Volks- und Raiffeisenbanken* which are clients of WGZ BANK, it acts as a partner and provides assistance, in its capacity as a central bank, with regard to refinancing and investment business transactions as well as with respect to equity transactions. It is engaged in the corporate client business with regard to small and medium-sized companies in cooperation with its member banks, but also maintains direct contacts. As a so-called initiative bank, WGZ BANK regards itself, based on the cooperative promotion contract, as a driving force with regard to the development of innovative products, services and processes.

Apart from its central function as commercial and merchant bank, WGZ BANK actively participates in global money-market and foreign exchange dealings as well as derivatives transactions, the trade in capital market products as well as securities issues and the underwriting business.

During the financial year 2004, WGZ BANK has started to implement structural changes within the scope of the project "New Horizons" ("*Aufbruch*"). WGZ BANK focuses on three groups of target clients: member banks within the regional finance association, corporate clients (small and medium-sized companies and commercial real estate clients) as well as partners on the capital markets (domestic and foreign banks, institutional clients, major clients including governmental capital market operators, states, supranational organisations).

### Corporate bodies

The corporate bodies of WGZ BANK are the supervisory board, the management board and the shareholders' meeting. The management board of WGZ BANK conducts the business in its own responsibility and according to the laws, the articles of association and the internal rules of procedures that have been authorized by the supervisory board. Two members of the management board or one member of the management board together with one person having a power of attorney (*Prokurist*) can legally bind WGZ BANK and can represent WGZ BANK. According to the articles of association, the management board consists of a minimum of four members that are nominated by the supervisory board.

### Management Board

As at the date of this Base Prospectus, the composition of the management board is as follows:

- Werner Böhnke, full-time Member of the Management, -Chairman-, Düsseldorf
- Michael Fraedrich, full-time Member of the Management, Düsseldorf

- Karl-Heinz Moll, full-time Member of the Management, Düsseldorf
  - Hans Pfeifer, full-time Member of the Management, Düsseldorf
  - Thomas Ullrich, full-time Member of the Management, Düsseldorf
  - Hans-Bernd Wolberg, full-time Member of the Management, Düsseldorf
- 
- The members of the Managing Board hold the following mandates in statutory supervisory bodies of large corporations (pursuant to Section 340a of the German Commercial Code (HGB)): *Werner Böhnke*  
 Group companies:  
 WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, Münster, Vice Chairman of the Supervisory Board  
 Other companies:  
 DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt/M., Member of the Supervisory Board  
 Bausparkasse Schwäbisch Hall AG, Schwäbisch Hall, Member of the Supervisory Board
  - *Michael Fraedrich*  
 Group companies:  
 WGZ-Bank Luxembourg S.A., Luxembourg, Vice Chairman of the Administrative Board  
 WGZ-Bank Ireland plc, Dublin, Member of the Board of Directors  
 Other companies:  
 DEUTSCHE IMMOBILIEN FONDS AG, Hamburg, Vice Chairman of the Supervisory Board  
 VR-LEASING AG, Eschborn, Vice Chairman of the Supervisory Board  
 Deutsche WertpapierService Bank AG, Frankfurt/M., Member of the Supervisory Board  
 BAG Bankaktiengesellschaft, Hamm, Member of the Supervisory Board  
 Zentrum Mikroelektronik Dresden AG, Dresden, Member of the Supervisory Board
  - *Karl-Heinz Moll*  
 Group companies:  
 WGZ-Bank Ireland plc, Dublin, Chairman of the Board of Directors  
 Other companies:  
 Union Asset Management Holding AG, Frankfurt/M., Vice Chairman of the Supervisory Board  
 Deutsche WertpapierService Bank AG, Frankfurt/M., Member of the Supervisory Board  
 R+V Versicherung AG, Wiesbaden, Member of the Supervisory Board  
 GLADBACHER BANK AG von 1922, Mönchengladbach, Member of the Supervisory Board  
 Privatbank (Schweiz) AG, Zürich, Member of the Administrative Board
  - *Hans Pfeifer*  
 Group companies:  
 WGZ-Bank Luxembourg S.A., Luxembourg, Chairman of the Supervisory Board
  - *Thomas Ullrich*  
 Group companies:  
 WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, Münster, Member of the Supervisory Board

## **Supervisory Board**

The supervisory board supervises the work of the management board. It consists of nine members, as provided for in the articles of association, six of which are appointed by the shareholders' meeting and three by employees of WGZ BANK on the basis of the German Act on One-third Participation (*Drittelbeteiligungsgesetz*). The supervisory board members appointed by the shareholders' meeting include two members of the management of shareholders in the form of credit cooperatives (*Kreditgenossenschaft*) with offices in the regions of Rhineland and Westfalia. The term of office of the supervisory board members is four years. It commences upon termination of the shareholders' meeting appointing the members and ends upon termination of the shareholders' meeting resolving on the formal approval of the acts for the third full financial year after commencement of the term of office.

At the date of this Base Prospectus, the composition of the supervisory board is as follows:

- Dieter Philipp, -Chairman-, President of the Chamber of Trade (*Handwerkskammer*) of Aachen, Honorary President of the Central Association of German Handicrafts (*Zentralverband des Deutschen Handwerks*), Berlin
- Gerhard Kötter, Bank Director (retired), Siegen
- Klaus Gläser, Chairman of the Supervisory Board of Volksbank Oberberg eG, Wiehl
- Ludger Hünteler, bank employee of WGZ BANK, Düsseldorf
- Manfred Jorris, bank employee of WGZ BANK, Düsseldorf
- Bernhard Kaiser, Chairman of the Management of Volksbank RheinAhrEifel eG, Bad Neuenahr-Ahrweiler
- Hannelore Kurre, bank employee of WGZ BANK, Düsseldorf
- Hans-Dieter Michalski, Chairman of the Management of Dortmunder Volksbank eG, Dortmund
- Franz-Josef Möllers, President of Westfälisch-Lippischer Landwirtschaftsverband e.V., Münster

The members of the supervisory board hold the following important supervisory board mandates in statutory supervisory bodies of large corporations (pursuant to Section 340a of the German Commercial Code (HGB)):

- *Dieter Philipp*  
Companies:  
SIGNAL IDUNA Pensionskasse AG, Berlin
- *Franz-Josef Möllers*  
Companies:  
AGRAVIS Raiffeisen AG, Münster-Hannover  
WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, Münster, Chairman of the Supervisory Board.

There are no potential conflicts of interest of the above-mentioned persons and their private interests and other responsibilities with those of WGZ BANK.

The management and the supervisory board may be contacted at the business address of WGZ BANK.

## **Shareholders' meeting**

Pursuant to the articles of association, the ordinary shareholders' meeting shall be held at the registered office of WGZ BANK or at a place within the Germany to be determined by the management and the supervisory board within the first six months after expiration of the financial year. The shareholders shall exercise their rights in the shareholders' meeting. Each share grants one vote, each shareholder being entitled to exercise only the vote vested in one single share owned by it (maximum voting right, principle of "one member one vote"), unless otherwise provided for in the articles of association or by law. The resolutions of the shareholders' meeting shall require the simple majority of the votes validly cast, unless a larger voting or capital majority is required by law or by the articles of association. For all proposed resolutions requiring a majority of at least 75 percent of the share capital represented in the decision-making process, the required majority shall be increased to 80 percent of the share capital represented in the decision-making process.

## **Reserves, Financial Year, Annual Financial Statements**

The statutory reserves will be established by an attribution of 5 percent of the annual surplus p.a., as long as the reserve is lower than 10 percent of the share capital. For any mode of use requiring a joint resolution by the management and supervisory board, other income reserves shall be established to which a minimum of 20 percent of the annual surplus p.a. shall be attributed. The financial year shall be the calendar year.

For each financial year expired, the management board presented the annual financial statements, the consolidated financial statements, the status report and the consolidated status report to the supervisory board and, together with the latter's report, to the shareholders' meeting.

## **Principal Shareholders**

The owners of a stock corporation under German law (*Aktiengesellschaft*) are its shareholders. The share capital of WGZ BANK is held by *Volks- und Raiffeisenbanken* of the region (member banks), other credit institutions, goods and services cooperatives (*Waren- und Dienstleistungsgenossenschaften*) and cooperative entities with other legal forms and other shareholders. As a stock corporation with a cooperative character, each share grants one vote, the shareholder being allowed to exercise only the vote vested in one single share held by it (maximum voting right, principle of "one member one vote"), unless otherwise provided for by law or in the articles of association. More than 90% of the shares are held by WGZ Beteiligungsgesellschaft GmbH & Co. KG, into which the member banks have put the bulk of their holdings, but no limited partner within this company exercises a dominant influence. The largest shareholder holds less than 3% of the shares.

## **Important Agreements**

### ***Keep-well statements (Patronatserklärungen)***

Except for political risk, WGZ BANK shall ensure in the amount of its share quota that WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, WGZ-Bank Luxembourg S.A., WGZ-Bank Ireland plc and WGZ International Finance N.V. are able to fulfil their obligations. This may lead to risks for WGZ BANK (see section "Risk Factors").

### ***Obligations in connection with the Deposit Protection Institution of the BVR***

Under the joint security scheme (*Sicherungseinrichtung*) of the Federal Association of German Volksbanken and Raiffeisenbanken (*Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V.* - "BVR"), WGZ BANK has a guarantee obligation in the amount of eight times the basic contribution to the guarantee fund. The BVR will be released from any loss

incurred due to the protection scheme in connection with the membership in WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG. This may lead to risks for WGZ BANK (see section "Risk Factors").

### **Legal Proceedings**

WGZ BANK is currently not involved - and has not been involved during the last twelve months before publication of this document - in any government interventions, court proceedings or arbitration proceedings which might affect or has most recently affected the financial situation or profitability of WGZ BANK and/or WGZ BANK Group in a noticeable way nor is WGZ BANK aware that such governmental interventions, legal proceedings or arbitration proceedings are pending or threatened.

### ***Material Events***

Since the date of the last published audited financial statements, there have not been any material negative changes in the financial, asset and profit situation of WGZ BANK and WGZ BANK Group, which are important for solvency.

### **Trend Information**

Since the date of the last published audited financial statements, there have not been any material negative changes in the prospects of WGZ BANK and WGZ BANK Group.

## **Financial Information**

### ***Historic Financial Information***

The financial statements of WGZ BANK for the years 2003 and 2004 have been prepared in accordance with principles of orderly accounting pursuant to the provisions of the German Commercial Code (*Handelsgesetzbuch* – "HGB").

### ***Financial Statements, Management Report and Flow of Funds Analysis of WGZ BANK for the years as at 31 December 2004 and 2003***

The management report, the balance sheet, the income statement, the cash-flow statement, the auditors' report as well as the notes relating to the financial statements for the years ended 31 December 2003 and 2004 are incorporated by reference to the WGZ BANK's audited annual report as at and for the years ended 31 December 2004 on pages 42-116 of the audited annual report 2004 and WGZ BANK's audited annual report as at and for the year ended 31 December 2003 on pages 38-110 of the audited annual report 2003 deposited with the Düsseldorf Stock Exchange.

### ***Selected Financial Statements and Selected Consolidated Financial Statements of WGZ BANK for the year as at 31 December 2005***

The financial statements of WGZ BANK for the year 2005 have been prepared in accordance with principles of orderly accounting pursuant to the provisions of the German Commercial Code (*Handelsgesetzbuch* – "HGB").

The balance sheet, the profit and loss account, the notes relating to the financial statements as well as the auditors' report for the financial statements for the year ended 31 December 2005 of WGZ BANK is shown on pages F-4- to F-23 and the consolidated balance sheet, the consolidated profit and loss account, the notes relating to the consolidated financial statements, the consolidated cash flow statement, the consolidated segment reporting, the consolidated statement of owner's equity as well as the auditors' report for the consolidated financial statements for the year ended 31 December 2005 of WGZ BANK is shown on pages F-24 to F-49.

### ***Audit of the financial statement***

The auditors' unqualified reports for the financial statements of WGZ BANK at and for the years ended 31 December 2003, 2004 and 2005 were issued by Deutscher Genossenschafts- und Raiffeisenverband e.V., Pariser Platz 3, 10117 Berlin. Deutscher Genossenschafts- und Raiffeisenverband e.V. is a member of the institute of accountants in Germany (*Institut für Wirtschaftsprüfer in Deutschland e.V.*), 40474 Düsseldorf.

## Documents Available for Inspection

During the validity of this Base Prospectus, the following documents are available for inspection on the Issuer's website (<http://www.wl-bank.de>):

- the Issuer's articles of association in the current version;
- the Issuer's annual reports for the years 2004 and 2005 including the audited annual and financial statements as well as the status reports for the years 2004 and 2005; and
- this Base Prospectus and any supplementary information that the Issuer may be required to provide pursuant to section 16 of the Securities Prospectus Act (*Wertpapierprospektgesetz*), the "Final Terms" containing the final terms in relation to securities offered for public subscription and/or listed securities as well as the document to be provided annually following the disclosure of the financial statement pursuant to section 10 of the Securities Prospectus Act.

In addition, during the validity of this Base Prospectus, the following documents are available for inspection on the website of WGZ BANK (<http://www.wgzbank.de>):

- WGZ BANK's articles of association in the current version;
- WGZ BANK's annual report for the year 2003 including the audited annual and consolidated financial statements as well as the status reports for the year 2003;
- WGZ BANK's annual report for the year 2004 including the audited annual and consolidated financial statements as well as the status reports for the year 2004; and
- keep-well statement of WGZ BANK as set forth in the 2004 annual financial statements on p. 85.

In addition, a copy of the Base Prospectus, its supplements as well as of the "Final Terms" containing the relevant final terms is available free of charge to each investor on request. These documents can be requested from the Issuer through its website <http://www.wl-bank.de> or by letter to the following address (WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, Kapitalmarktabwicklung und -limitmanagement, Sentmaringer Weg 1, 48151 Münster).

It is anticipated that the Base Prospectus, supplements thereto and the applicable Final Terms containing the final terms are also available for inspection on the Düsseldorf Stock Exchange's website (<http://www.boerse-duesseldorf.de>).



## Securities Description

### General Description of the Programme

The information set out below in relation to the types of Non Equity Securities which may be issued under this Programme provide a summary overview of material terms of the Non Equity Securities. Since the Final Terms and characteristics of the Non Equity Securities as well as the terms of the offer may only be determined when the Non Equity Securities are issued, such information and the Terms and Conditions of the Non Equity Securities out below should be read in conjunction with the applicable Final Terms which will be published upon each issue of Notes in accordance with Section 14 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*).

The Issuer intends to issue Standard Notes governed by German law, derivative Notes as well as mortgage Pfandbriefe and public sector Pfandbriefe under the Programme described in this Base Prospectus on a continuing basis. Under the Programme, the Issuer may issue Non Equity Securities in the form of, *inter alia*, fixed or floating rate Notes, zero coupon Notes, Notes having derivative interest rate structures, subordinated or unsubordinated Notes as well as fixed and floating rate Pfandbriefe, and non-interest bearing derivative Notes or derivative Notes with the above types of interest, whose redemption amount is determined by reference to one or more reference assets.

The description of the Non Equity Securities is set out as securities description in Section A (to be read in conjunction with Schedule 1) for Standard Notes, and in Section B (to be read in conjunction with Schedule 1) for derivative Notes and in Section C (to be read in conjunction with Schedules 2 and 3) for Pfandbriefe. Section D contains a description of the Keep-Well Undertaking given by WGZ BANK for the benefit of the Issuer, and Section E contains other conditions applicable to all Non Equity Securities.

The description is made in the order set out below:

#### **Standard Notes**

- Subordinated and unsubordinated Notes having specified denominations and fixed rates;
- subordinated and unsubordinated Notes having specified denominations and floating rates;
- subordinated and unsubordinated zero coupon Notes having specified denominations and not bearing interest;
- subordinated and unsubordinated Notes having specified denominations and having a derivative interest rate structure, where interest will be determined by reference to the following reference assets and where structured components may be used as formulas:
  - interest rates
  - CMS (Constant Maturity Swap) rates
  - shares or share baskets
  - indices or index baskets
  - other reference assets, as specified in the Final Terms

In each case, the Notes will be redeemed at maturity or, in the event of Installment Notes, on the Installment payment dates specified in the Final Terms, in any event, however, at an aggregate of 100% or more of their principal amount.

### ***Derivative Notes***

Notes in the form of (i) non-interest bearing Notes, (ii) Notes with fixed or (iii) floating rates, or (iv) Notes with a derivative interest rate structure, in each case having a derivative redemption structure determined by reference to the reference assets set out below.

- Subordinated and unsubordinated Notes having a derivative redemption amount and fixed rates;
- subordinated and unsubordinated Notes having a derivative redemption amount and floating rates;
- subordinated and unsubordinated Notes having a derivative redemption amount and not bearing interest;
- subordinated and unsubordinated Notes having a derivative redemption amount and a derivative interest rate structure;

provided that any redemption and interest rate structures may be combined in any combination. Both derivative interest and redemption may be linked to the reference assets set out below and structured components may be used as formulas:

- interest rates
- CMS (Constant Maturity Swap) rates
- shares or share baskets
- indices or index baskets
- other reference assets, as specified in the Final Terms

If provided for in the Final Terms, delivery of the relevant reference assets may be made instead of payment.

As the redemption amount is determined by reference to one or more reference assets as specified in the Final Terms, the redemption amount at maturity may be significantly less than the capital invested, and in extreme cases, investors may incur a total loss.

### ***Pfandbriefe***

- Pfandbriefe having specified denominations and fixed rates, and a fixed or derivative redemption amount;
- Pfandbriefe having specified denominations and floating rates, and a fixed or derivative redemption amount;
- zero coupon Pfandbriefe having specified denominations and not bearing interest, and a fixed or derivative redemption amount;

In each case, the Pfandbriefe will be redeemed (depending on their structure at a redemption amount that may be lower than their principal amount) at maturity or, in the event of Instalment Pfandbriefe, on the instalment payment dates specified in the Final Terms.

### **Responsible Persons**

The responsible persons have been identified in section "Issuer Description" under "Responsible Persons".

## **Risk Factors**

The risk factors are set out above in the "Risk Factors" section.

**Investors investing in derivative securities may incur a total or partial loss of the amount invested if the risk involved in the reference asset(s) and/or the derivative component is realised in whole or in part. (See section "Risk Factors – Additional Risk Factors Relating to derivative Notes").**

## **Key Information**

The Issuer and its affiliates may buy and sell the Non Equity Securities for their own account or for the account of others, and to issue further Non Equity Securities. Further, the Issuer and its affiliates participate in the international and domestic German securities, currency and commodity markets. Accordingly, they may, for their own account or for the account of customers, engage in transactions directly or indirectly involving assets that are "reference assets" under the derivative Notes and may make decisions regarding these transactions in the same manner as they would if the derivative Notes had not been issued. The Issuer and its affiliates may on the issue date of the derivative Notes or at any time thereafter be in possession of information in relation to any reference assets that may be material to holders of any derivative Notes and that may not be publicly available or known to the Noteholders. (See "Risk Factors" for further information). If Non Equity Securities are underwritten by individual banks or by a group of banks, the underwriting banks will receive a commission for the underwriting and placing, if any, of the Non Equity Securities. Details of such commission will be set forth in the Final Terms. The Final Terms may, if relevant, contain any further information about conflicts of interest regarding the Issuer or any other persons involved in the issuance of Non Equity Securities.

The net proceeds from each issue of the Non Equity Securities under the Programme will be used by the Issuer for general banking purposes.

## **A. Securities Information Concerning the Non-Interest Bearing, Fixed Rate, Floating Rate or derivative Interest Rate Subordinated or Unsubordinated Standard Notes to be Offered or Admitted to Trading**

The following section contains the Securities Description relating to the Standard Notes to be issued under the Programme and to be redeemed at maturity at 100% of their principal amount.

### ***Type and Class of the Notes***

The Issuer will issue different series of non-interest bearing subordinated and unsubordinated Notes having specified denominations and without interest (zero coupon Notes), and fixed rate, floating rate or derivative interest rate subordinated and unsubordinated Notes (or subordinated and unsubordinated Notes with a combination of interest structures) under the Programme. Each series may be subdivided into different tranches. The terms of the Notes of any one tranche must be identical in every respect, whereas the tranches of a series may have different issue dates, interest commencement dates and/or issue prices.

The final terms and characteristics of the Notes of any tranche or series and the ISIN or any other security identification code will be specified in the Final Terms (see Schedule 6). The Final Terms will also set forth the terms and conditions applicable to the relevant issue.

The Terms and Conditions may also be prepared by the Issuer in consolidated form. This will usually be the case if the Issuer intends to sell the Notes to non-qualified investors within the meaning of Section 2 no. 5 of the German Securities Prospectus Act. For these purposes, the Issuer will use the relevant sections set out in the form of Final Terms (see Schedule 6) as the basis and publish such sections, in each case (in the case of Notes governed by German law) together with the consolidated version of the conditions of Terms and Conditions of the Notes, in accordance with Section 14 of the German Securities Prospectus Act. In the event of non-consolidated conditions, the final conditions will be determined using the relevant sections set out in the form of Final Terms.

### ***Governing Law (see Terms and Conditions Schedule 1 § 13)***

The Notes of each tranche or series will be issued under the terms specified in the Final Terms, and will be governed by German law.

### ***Form, Custody and Transfer of the Notes (see Terms and Conditions Schedule 1 § 1(1)-(5))***

The Notes will be issued as Global Notes in bearer form and in the denominations specified in the Final Terms. If appropriate, the aggregate principal amount of each tranche or series will initially be represented by a Temporary Global Note and subsequently by a Permanent Global Note, unless otherwise determined in the relevant Final Terms, which will be deposited with either Clearstream Banking AG, Frankfurt am Main (Neue Börsestraße 1, D-60487 Frankfurt am Main, Germany), or a depositary common to Clearstream Banking, société anonyme Luxembourg (42 Avenue JF Kennedy; L-1855 Luxembourg; Luxembourg) and Euroclear Bank S.A./N.V. (1 Boulevard du Roi Albert IIB - 1210 Brussels, Belgium) or any other clearing system (each a "Clearing System"), as specified in the Final Terms. Definitive securities will not be issued, unless the Final Terms provide for the issue of definitive securities.

The Notes may be transferred in accordance with rules of the relevant Clearing System.

### ***Currency (see Terms and Conditions Schedule 1 § 1(1))***

The currency of issue of the Notes is the euro, unless the Final Terms provide for a different currency (see "Risk Factors – Risk Factors Relating to the Notes").

### **Status and Ranking (see Terms and Conditions Schedule 1 § 2)**

The Notes may be issued as subordinated or as unsubordinated Notes, as determined in the Final Terms. The Notes of any one tranche or series, however, will at all times rank *pari passu* and without any preference among themselves.

#### *(i) Unsubordinated Notes*

If the Notes are issued as unsubordinated Notes, they will rank equally with all other unsubordinated unsecured obligations of the Issuer (see Schedule 1 § 2 alternative 1), save for certain claims of other creditors required to be preferred by law. In particular, Pfandbriefe issued under the Programme will have a preferred claim over cover assets reserved for the Pfandbriefe pursuant to the German Pfandbrief Act (see Schedule 2 § 2 and Schedule 3 § 5).

#### *(ii) Subordinated Notes*

If the Notes are issued as Tier 2 and Tier 3 subordinated Notes, they will be subordinated to all unsubordinated obligations of the Issuer (see Schedule 1 § 2 alternative 2).

In the event of insolvency of the Issuer, repayment will be made to the holders of subordinated Notes only if all prior ranking claims of all unsubordinated creditors of the Issuer have been fully satisfied and if subsequently there are funds which remain to satisfy the claims of the holders of the subordinated Notes (see "Risk Factors – Risk Factors Relating to the Notes"). Early redemption of the Notes is subject to certain limitations pursuant to § 10 paras. 5a and 7 KWG.

### **Early Redemption Rights (see Terms and Conditions Schedule 1 § 4 and § 9)**

The Final Terms may provide that there is no early redemption right (*ordentliches Kündigungsrecht*), or provide for early redemption rights as described below.

#### *(i) No General Early Redemption Right (ordentliches Kündigungsrecht)*

There is no general early redemption right in relation to the Notes prior to the final redemption date (see Schedule 1 § 4(c) alternative 2 and Schedule 1 § 4(d) alternative 1).

#### *(ii) Extraordinary Redemption Rights (Sonderkündigungsrechte)*

In exceptional cases, the Issuer may redeem such Notes or holders of unsubordinated Notes may require early redemption of such Notes upon the occurrence of an event of default (see Schedule 1 § 9), or the Issuer may redeem such Notes early upon the occurrence of a tax event (see Schedule 1 § 4(b)).

In the case of subordinated Notes, this redemption right is limited pursuant to § 10 paras. 5a and 7 of the German Banking Act (*Gesetz über das Kreditwesen – KWG*).

#### *(iii) Early Redemption at the Option of the Issuer or at the Option of the Noteholders*

Otherwise, the redemption of the Notes prior to maturity may only be required if the Final Terms provide for a call option by either the Issuer (see Schedule 1 § 4(c) alternative 3) or for a put option by the Noteholders (see Schedule 1 § 4(d) alternative 2) (see "Risk Factors – Risk Factors Relating to the Notes").

#### *(iv) Early Redemption Procedure*

If the Issuer may redeem the Notes early, the Noteholders have to be notified of such redemption. This is done by giving notice in accordance with § 12 of the Terms and Conditions (see Schedule 1 § 12).

If the Noteholders may require early redemption of the Notes, the Issuer has to be notified of such redemption. This is done, subject to the applicable provisions in the relevant Terms

and Conditions, either by sending the early redemption notice directly to the Issuer or to the office of the Fiscal Agent (see Schedule 1 § 4(d) alternative 2 or § 9).

In the case of subordinated Notes, the provisions of the German Banking Act have to be complied with in addition.

(v) *Purchase*

The Issuer may at any time cancel unsubordinated Notes purchased in the open market (see Schedule 1 § 4(e)), in the case of subordinated Notes, subject to legal restrictions.

***Interest (see Terms and Conditions Schedule 1 § 3)***

The Final Terms may provide for the issue of non-interest bearing, fixed rate or floating rate Notes, or Notes having derivative interest rates linked to the performance of a reference asset. The Final Terms may provide for maximum or minimum interest, or a step-up interest or any other interest method.

If none or one of the following types of interest have been provided for a Note, the interest periods will be specified in the Final Terms. If the Final Terms provide for a combination of these types of interest, the Final Terms will additionally specify the commencement and the end dates for each Interest Accrual Period, for which a different interest type will be applicable.

(i) *Fixed Rate Notes*

If the Final Terms provide for fixed interest on the Notes (see Schedule 1 § 3 Fixed Rate Alternative), the Final Terms will specify the interest rate or the interest amount, as applicable, the interest periods, the interest payment date(s) per calendar year, the applicable business day convention and the interest calculation method (see "Risk Factors – Risk Factors Relating to the Notes").

(ii) *Zero Coupon Notes*

If the Notes do not bear interest during their maturity, Zero Coupon Notes, this will be specified in the Final Terms.

If, according to the provisions in the Final Terms, the Notes do not bear interest during certain periods only, the Final Terms will specify the commencement and the end of each such period (see Schedule 1 § 3 Zero Coupon Alternative and "Risk Factors – Risk Factors Relating to the Notes").

(iii) *Floating Rate Notes*

If the Final Terms provide for floating interest (not linked to the performance of a reference asset) on the Notes, the Final Terms, in addition to the commencement and the end of interest accrual, the interest payment date(s) or interest period(s) per calendar year and the interest calculation method, will specify the business day convention, the individual interest components, the reference interest rate and the methodology of determination and calculation (also in case of market disruption) (see "Risk Factors – Risk Factors Relating to the Notes").

The interest components will generally comprise a reference interest rate (in particular a EURIBOR or LIBOR rate) and a margin, if applicable. The Final Terms will set out in detail how the reference interest rate will be determined.

The range of volatility of floating rates may be limited by provisions in the Final Terms stipulating a maximum and/or a minimum interest. The range of volatility may be increased by including multipliers (see Schedule 1 § 3 Floating Rate Alternative).

(iv) *Derivative Interest Structure*

If the Final Terms provide for interest to be linked to one or more reference assets, the Final Terms will specify the underlying reference asset(s) and the mathematical relation between interest rate and reference asset(s), and the determination of interest upon the occurrence of Market Disruption or Adjustment Events. In such case, the Final Terms will contain a description as to how the reference asset affects the interest right, and a risk factors section specific to such Final Terms, if applicable.

(a) *Interest linked to a formula with interest components*

If the Final Terms provide for interest to be linked to certain formulas with interest rate components, the Final Terms will specify the interest rate and the mathematical relation between the interest rate and the underlying interest rate, and the determination of interest upon the occurrence of Market Disruption or Adjustment Events. In such case, the Final Terms will contain a description of the linkage of the interest right to the relevant underlying interest rate, and a risk factors section specific to such Final Terms, if applicable (see "Risk Factors – Risk Factors Relating to the Notes").

(b) *Interest linked to a CMS rate*

If the Final Terms provide for interest to be linked to a CMS (Constant Maturity Swap) rate, the Final Terms will specify the reference asset and the mathematical relation between interest rate and CMS rate, and the determination of interest upon the occurrence of Market Disruption or Adjustment Events. In such case, the Final Terms will contain a description of the linkage of the interest right to the CMS rate, and a risk factors section specific to such Final Terms, if applicable (see "Risk Factors – Risk Factors Relating to the Notes").

(c) *Interest linked to a share or a share basket*

If the Final Terms provide for interest to be linked to a share or a share basket, the Final Terms will specify the share or the share basket, as applicable, together with the respective weightings of the constituent shares and the possibility of modifications, if any, to the composition of the relevant share basket, as well as the mathematical relation between interest rate and the shares or the shares in the share basket, as applicable, and the determination of interest upon the occurrence of Market Disruption or Adjustment Events. The Calculation Agent, in accordance with the provisions of the Terms and Conditions, will determine the occurrence or existence of a Market Disruption Event (including, but not limited to, Trading Disruptions, Exchange Disruptions or Early Closures) or of a Disrupted Day (i.e. on any Scheduled Trading Day, a relevant Exchange or Related Exchange is not open for trading or the price of the relevant share cannot be determined) as of a relevant time. As a result of a Potential Adjustment Event and various events relating to shares (including, but not limited to, Merger Events, Tender Offers, Nationalisation, Delisting or Insolvency), the Calculation Agent may make certain adjustments to the Terms and Conditions in order to take into account the occurrence of such event. In such case, the Final Terms will contain a description of the linkage of the interest right to the share or the share basket, as applicable, the determination of the Market Disruption Events and the Potential Adjustment Events, the possibilities of adjustment by the Calculation Agent, the information provided by the information source(s) – in particular in relation to the historical performance and volatility of the share(s), and a risk factors section specific to such Final Terms, if applicable (see "Risk Factors – Risk Factors Relating to the Notes").

(d) *Interest linked to an index or index basket*

If the Final Terms provide for interest to be linked to an index or index basket, the Final Terms will specify the index or index basket, as applicable, together with the respective

weightings of the constituent indices and the possibility of modifications, if any, to the composition of the relevant index basket, as well as the mathematical relation between interest rate and the index or the index basket, as applicable, and the determination of interest upon the occurrence of Market Disruption or Adjustment Events. The Calculation Agent, in accordance with the provisions of the Terms and Conditions, will determine the occurrence or existence of a Market Disruption Event as of a relevant time. As a result of an Index Adjustment Event, the Calculation Agent may make such adjustments to any amounts payable in respect of the Notes and/or to other figures relevant to payments under the Notes as it deems appropriate. In such case, the Final Terms will contain a description of the linkage of the interest right to the index or index basket, as applicable, the determination of the Market Disruption Events and Index Adjustment Events, the possibilities of adjustment by the Calculation Agent, the information provided by the information source(s), in particular in relation to the historic performance and volatility of the index or indices, and a risk factors section specific to such Final Terms, if applicable (see "Risk Factors – Risk Factors Relating to the Notes").

(v) *Prescription*

The right to interest under bearer Notes is subject to prescription. The period of prescription is two years. The prescription period begins at the end of the 10-year period during which the Notes must be duly presented (see Schedule 1 § 8).

(vi) *Calculation Agent*

Unless otherwise provided in the Final Terms, the relevant amount of interest payable on any Note will be finally and conclusively determined by WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank as Calculation Agent.

(vii) *Risk Factors*

See "Risk Factors – Risk Factors relating to the Notes".

***Due Dates and Payments (see Terms and Conditions Schedule 1 § 4(a) and § 5)***

The Final Terms may provide for redemption of the principal amount of the Notes at a specified redemption date or for redemption of the Notes in instalments.

(i) *Redemption at Maturity*

The redemption date in relation to the principal amount at maturity will be specified in the Final Terms. On the redemption date, the holders are entitled to payment of the principal amount of the Notes.

(ii) *Redemption in Instalments*

If the Final Terms provide for redemption of the Notes in instalments, the redemption dates and the payments due on such dates will be specified in the Final Terms. The aggregate amount of redemption instalments will at least equal the principal amount.

(iii) *Early Redemption*

In the event of early termination, the redemption date will be specified in the provisions applicable to the relevant termination.

If Notes have a derivative interest rate structure (which means all interest rate structures referred to in Section "*Interest (iv) Derivative Interest Structures*"), the Final Terms may provide that the Early Redemption Amount shall equal the fair market value of the Notes determined in good faith and in a commercially reasonable manner by the Calculation Agent, adjusted to account for any reasonable expenses and costs of unwinding any reference assets and/or related hedging and funding arrangements of the Issuer. In certain circumstances, this value may be lower than the principal amount per Note or the amount



invested, and as a result the Noteholders may recover less than the principal amount per Note or the amount invested in the event of Early Redemption.

(iv) *Method of Redemption (see Schedule 1 § 5)*

Any amounts payable in accordance with the Terms and Conditions of the Notes will be paid by the Issuer to the relevant Clearing System for credit to the accounts of the relevant depositary banks to be paid to the Noteholders.

If any due date for payment is not a business day, the Final Terms will provide for the determination of an alternative payment date. In such event, the Noteholders will neither be entitled to payment as a consequence of the payment date falling after the due date for payment nor to default interest (*Verzugszinsen*) or any other compensation on account of such adjustment.

(v) *Prescription*

The period of prescription is two years. The prescription period begins at the end of the 10-year period during which the Notes must be duly presented (see Schedule 1 § 8).

(vi) *Early Redemption Rights*

The different early redemption rights are set out above under "Early Redemption Rights".

## **B. Securities Information Concerning the derivatives Notes the Redemption Amount of which is Linked to a to Reference Asset**

The following section contains the Securities Description relating to interest-bearing and non-interest bearing derivative Notes to be issued under the Programme, the redemption amount of which is linked to a reference asset. Within the functionality of derivative Notes the possibility exists that – subject to the interest- and redemption-structure and the relevant reference assets as determined in the Final Terms- no interest will be paid and/or less than the principal amount of the Notes might be redeemed at maturity.

### **Information Concerning the derivative Notes to be Offered or Admitted to Trading**

#### ***Type and Class of the Notes***

The Issuer will issue different series of non-interest bearing subordinated or unsubordinated Notes, or fixed rate, floating rate or derivative interest rate subordinated or unsubordinated Notes (or subordinated or unsubordinated Notes with a combination of interest types), the redemption amount of which is linked to reference assets, under the Programme. Each series may be subdivided into different tranches. The terms of the Notes of any one tranche must be identical in every respect, whereas the tranches of a series may have different issue dates, interest commencement dates and/or issue prices.

The final terms and characteristics of any tranche or series and the ISIN or any other security identification code will be specified by a document containing the Final Terms (the "Final Terms") (see Schedule 6). The Final Terms will also set forth the terms and conditions applicable to the relevant issue.

The Terms and Conditions may be prepared by the Issuer in consolidated form also. This will usually be the case if the Issuer intends to sell the Notes to non-qualified investors within the meaning of Section 2 no. 5 of the German Securities Prospectus Act. For these purposes, the Issuer will use the relevant sections set out in the form of Final Terms (see Schedule 4) as the basis and publish such sections, in each case (in the case of Notes governed by German law) together with the consolidated version of the conditions of Terms and Conditions of the Notes, in accordance with Section 14 of the German Securities Prospectus Act. In the event of non-consolidated conditions, the final conditions will be determined using the relevant sections set out in the form of Final Terms.

#### ***Relation between Reference Asset and Investment***

The Final Terms might provide for interest and/or redemption linked to one or more reference assets. This means that an investor, under certain circumstances and depended on the interest and redemption structure and the reference assets as set out in the Final Terms, might receive no interest payments and less than the principal amount of the Notes. With such structure a partially or total loss of the invested capital cannot be excluded. How the investment is affected by the reference asset depends on whether the reference asset is a structured interest rate, a CMS rate, a share or a share basket (i.e. a basket which comprises at least two different shares, which might be weighted unequally), as applicable, or an index or an index basket (i.e. a basket which comprises at least two different indices, which might be weighted unequally), as applicable, or other reference assets. The Final Terms will specify the relevant reference asset and the mathematical relation between the redemption amount and the relevant reference asset(s) as well as the determination of the redemption amount upon the occurrence of Market Disruption or Adjustment Events. In such case, the Final Terms will contain a description of the reference asset(s), the linkage of the redemption amount to the reference asset(s), and a risk factors section specific to such Final Terms, if applicable.

Information regarding reference assets are set out in this securities description under "Type of the Reference Asset and Information on the Reference Asset (Annex XII para. 4.2.2), Market

Disruption Events (Annex XII para. 4.2.3) and Adjustment Rules with Relation to Events Concerning the Reference Asset (Annex XII para. 4.2.4)".

***Governing Law (see Terms and Conditions Schedule 1 § 13)***

The Notes of each tranche or series will be issued under the terms specified in the Final Terms, and under German law.

***Form, Custody and Transfer of the Notes (see Terms and Conditions Schedule 1 § 1(1)-(5))***

The Notes will be issued as Global Notes in bearer form and in the denominations specified in the Final Terms. If appropriate, the aggregate principal amount of each tranche or series will initially be represented by a Temporary Global Note and subsequently by a Permanent Global Note, which will be deposited with Clearstream Banking AG, Frankfurt am Main (Neue Börsenstraße 1, D-60487 Frankfurt am Main, Germany), or a depositary common to Clearstream Banking, société anonyme Luxembourg (42 Avenue JF Kennedy; L-1855 Luxembourg; Luxembourg) and Euroclear Bank S.A./N.V. (1 Boulevard du Roi Albert IIB - 1210 Brussels, Belgium) or any other clearing system (each a "Clearing System"), as specified in the Final Terms. Definitive securities will not be issued, unless the Final Terms provide for the issue of definitive securities.

The Notes may be transferred in accordance with rules of the relevant Clearing System.

***Currency (see Terms and Conditions Schedule 1 § 1(1))***

The currency of issue of the Notes is the euro, unless the Final Terms provide for a different currency (see "Risk Factors – Additional Risk Factors Relating to derivative Notes").

***Status and Ranking (see Terms and Conditions Schedule 1 § 2)***

The Notes may be issued as subordinated or as unsubordinated Notes, as determined in the Final Terms. The Notes of any one tranche or series, however, will at all times rank *pari passu* and without any preference among themselves.

*(i) Unsubordinated Notes*

If the Notes are issued as unsubordinated Notes, they will rank equally with all other unsubordinated unsecured obligations of the Issuer (see Schedule 2 Section 2.1.1 § 2 alternative 1), save for certain claims of other creditors required to be preferred by law. In particular, Pfandbriefe issued under the Programme will have a preferred claim over cover assets reserved for the Pfandbriefe pursuant to the German Pfandbrief Act (see Schedule 2 § 2 and Schedule 3 § 5).

*(ii) Subordinated Notes*

If the Notes are issued as subordinated Notes, they will be subordinated to all unsubordinated obligations of the Issuer (see Schedule 1 § 2 alternative 2).

In the event of insolvency of the Issuer, repayment will be made to the holders of subordinated Notes only if all prior ranking claims of all unsubordinated creditors of the Issuer have been fully satisfied and if subsequently there are funds which remain to satisfy the claims of the holders of the subordinated Notes (see "Risk Factors – Additional Risk Factors Relating to derivative Notes"). Early redemption of the Notes is subject to certain limitations pursuant to § 10 paras. 5a and 7 KWG.

***Rights and Procedure for the Exercise of Rights***

*(i) Interest*

The Final Terms may provide for the issue of non-interest bearing Notes (see Schedule 1 § 3 Zero Coupon Alternative), fixed rate (see Schedule 1 § 3 Fixed Rate Alternative), or floating rate Notes (see Schedule 1 § 3 Floating Rate Alternative), or Notes having derivative interest rates linked to one or more reference asset(s). The Final Terms

may provide for maximum or minimum interest, or a step-up interest or any other interest method. The types of interest correspond to those under the Standard Notes. The right to interest under bearer Notes is subject to prescription. The period of prescription is two years. The prescription period begins at the end of the 10-year period during which the Notes must be duly presented (see "Securities Description Standard Notes – Interest").

(ii) *No General Early Redemption Right (ordentliches Kündigungsrecht)*

There is no general early redemption right in relation to Notes prior to the final redemption date (see Schedule 1 § 4(c) alternative 2 and § 4(d) alternative 2).

(iii) *Extraordinary Redemption Rights (Sonderkündigungsrechte)*

In exceptional cases, the Issuer may redeem such Notes or holders of unsubordinated Notes may require early redemption of such Notes upon the occurrence of an event of default (see Schedule 1 § 9), or the Issuer may redeem such Notes early upon the occurrence of a tax event (see Schedule 1 § 4(b)).

In the case of subordinated Notes, this extraordinary redemption right is limited by § 10 paras. 5a and 7 of the German Banking Act (*Gesetz über das Kreditwesen – KWG*).

If the redemption amount is linked to one or more reference asset(s), redemption which is made in a situation where the reference asset itself is subject to changes, is subject to particular risks for the investor (see "Risk Factors – Additional Risk Factors Relating to derivative Notes").

(iv) *Early Redemption Procedure*

If the Issuer may redeem the Notes early, the Noteholders have to be notified of such redemption. This is done by giving notice in accordance with § 12 of the Terms and Conditions (see Schedule 1 § 12).

If the Noteholders may require early redemption of the Notes, the Issuer has to be notified of such redemption. This is done either directly by notice to the Issuer or by sending the early redemption notice to the office of the Fiscal Agent (see Schedule 1 § 4(d) alternative 2 or § 9).

In the case of subordinated Notes, the provisions of the German Banking Act have to be complied with in addition.

(v) *Purchase*

The Issuer may at any time cancel unsubordinated Notes purchased in the open market (see Schedule 1 § 4(e)), in the case of subordinated Notes, subject to legal restrictions.

***Expiration or Maturity Date, Return, Payment, Delivery and Calculation Method and Settlement Procedure***

The Final Terms may provide for redemption of the principal amount of the Notes at a maturity date or for redemption of the Notes at their derivative redemption amount or for redemption of the Notes in instalments or for physical delivery of reference assets (see Schedule 1 § 4).

(i) *Redemption at Maturity*

The redemption date and the manner of calculation of the derivative redemption amount at maturity will be specified in the Final Terms. In the event of early termination, the redemption date will be specified in the provisions applicable to the relevant termination. On the redemption date, the holders are entitled to payment of the derivative redemption amount which may be less than the principal amount of the Notes.

(ii) *Physical Delivery of Reference Assets*

The details and requirements of a physical delivery of reference assets will be specified in the Final Terms.

(iii) *Redemption in Instalments*

If the Final Terms provide for redemption of the Notes in instalments, the redemption dates and the payments due on such dates will be specified in the Final Terms.

(iv) *Early Redemption*

The Final Terms may provide that the Early Redemption Amount shall equal the fair market value of the Notes determined in good faith and in a commercially reasonable manner by the Calculation Agent, adjusted to account for any reasonable expenses and costs of unwinding any reference assets and/or related hedging and funding arrangements of the Issuer. In certain circumstances, this value may be lower than the principal amount per Note or lower the amount invested, and as a result the Noteholders may recover less than the principal amount per Note or less than the amount invested in the event of Early Redemption.

(v) *Method of Redemption (see Schedule 1 § 5)*

Any amounts payable in accordance with the Terms and Conditions of the derivative Notes will be paid by the Issuer to a Clearing System for credit to the accounts of the relevant depository banks to be paid to the Noteholders (see Schedule 1 § 5).

If any due date for payment is not a business day, the Final Terms will provide for the determination of an alternative payment date. In such event, the Noteholders will neither be entitled to payment as a consequence of the payment date falling after the due date for payment nor to default interest (*Verzugszinsen*) or any other compensation on account of such adjustment.

(vi) *Physical Delivery*

The settlement procedure in relation to a physical delivery of reference assets or other securities will be specified in the Final Terms.

(vii) *Prescription*

The rights to payment of principal under bearer Notes are subject to prescription. The period of prescription is two years. The prescription period begins at the end of the 10-year period during which the Notes must be duly presented (see Schedule 1 § 8).

## **Information Relating to the Reference Assets**

### ***Exercise Price or Final Reference Price of the Reference Asset***

The Final Terms will specify either the exercise price and/or the final reference price.

### ***Type of the Reference Asset and Information on the Reference Asset , Market Disruption Events and Adjustment Rules with Relation to Events Concerning the Reference Asset***

The Final Terms may provide that the redemption amount of the Notes will be linked to certain reference assets (in particular formulas with structured interest components, CMS rates, shares or share baskets or indices or index baskets). In such case, the Final Terms will contain a description of the relevant reference asset (including where information about the past and the further performance of the reference assets and the volatility can be obtained) and the linkage of the redemption amount to the reference asset, and a risk factors section specific to such Final Terms, if applicable. (See "Risk Factors – Additional Risk Factors Relating to derivative Notes").

#### ***(i) Formula with Structured Interest Components***

If the Final Terms provide for redemption to be linked to a formula with structured interest components, the Final Terms will specify the interest rate and the mathematical relation between the redemption amount and the interest rate, and the determination of the redemption amount upon the occurrence of Market Disruption or Adjustment Events, as well the place where information relating to the relevant interest rate (including information relating to past and expected performance of the rate and its volatility) can be obtained. In such case, the Final Terms will contain a description of the linkage of the redemption amount to the relevant interest rate, and a risk factors section specific to such Final Terms, if applicable. (See "Risk Factors – Additional Risk Factors Relating to derivative Notes").

#### ***(ii) CMS Rates***

If the Final Terms provide for redemption to be linked to a CMS (Constant Maturity Swap) rate, the Final Terms will specify the CMS rate and the mathematical relation between the redemption amount and the CMS rate, and determination of the redemption amount upon the occurrence of Market Disruption or Adjustment Events, as well the place where information relating to the relevant CMS rate (including information relating to past and expected performance of the rate and its volatility) can be obtained. In such case, the Final Terms will contain a description of the linkage of the redemption amount to the relevant CMS rate, and a risk factors section specific to such Final Terms, if applicable. (See "Risk Factors – Additional Risk Factors Relating to derivative Notes").

#### ***(iii) Shares or Share Baskets***

If the Final Terms provide for redemption to be linked to a share or a share basket, the Final Terms will specify the share or the share basket, as applicable, together with the respective weightings of the constituent shares and the possibility of modifications, if any, to the composition of the relevant share basket, the names of the share issuer(s), the relevant ISIN of the share(s), as well as the mathematical relation between the redemption amount and the shares or the shares in the share basket, as applicable, and the determination of the redemption amount upon the occurrence of Market Disruption or Adjustment Events. The Calculation Agent, in accordance with the provisions of the Terms and Conditions, will determine the occurrence or existence of a Market Disruption Event (including, but not limited to, Trading Disruptions, Exchange Disruptions or Early Closures) or of a Disrupted Day (i.e. on any Scheduled Trading Day, a relevant Exchange or Related Exchange is not open for trading or the price of the relevant share cannot be determined) as of a relevant time. As a result of a Potential Adjustment Event and various events relating to shares (including, but not limited to, Merger Events, Tender Offers, Nationalisation, Delisting or Insolvency), the Calculation Agent may make certain

adjustments to the Terms and Conditions in order to take into account the occurrence of such event. In such case, the Final Terms will contain a description of the linkage of the redemption amount to the share or the share basket, as applicable, the determination of the Market Disruption Events and the Potential Adjustment Events, the possibilities of adjustment by the Calculation Agent, the information provided by the information source(s) – in particular in relation to the availability of the historic and further performance and volatility of the share(s), and a risk factors section specific to such Final Terms, if applicable (see "Risk Factors – Additional Risk Factors Relating to derivative Notes").

(iv) *Indices or Index Baskets*

If the Final Terms provide for redemption to be linked to an index or an index basket, the Final Terms will specify the index or index basket, as applicable, together with the respective weightings of the constituent indices and the possibility of modifications, if any, to the composition of the relevant index basket, a description of the index (or, if the index is not composed by the Issuer, the place where information relating to the index or indices can be obtained, as well as the mathematical relation between the redemption amount and the index or the index basket, as applicable, and the determination of the redemption amount upon the occurrence of Market Disruption or Adjustment Events. The Calculation Agent, in accordance with the provisions of the Terms and Conditions, will determine the occurrence or existence of a Market Disruption Event as of a relevant time. As a result of an Index Adjustment Event, the Calculation Agent may make such adjustments to any amounts payable in respect of the Notes and/or to other figures relevant to payments under the Notes as it deems appropriate. In such case, the Final Terms will contain a description of the linkage of the redemption amount to the index or index basket, as applicable, the determination of the Market Disruption Events and Index Adjustment Events, the possibilities of adjustment by the Calculation Agent, the information provided by the information source(s), in particular in relation to the availability of the historic and further performance and volatility of the index or index basket, and a risk factors section specific to such Final Terms, if applicable (see "Risk Factors – Additional Risk Factors Relating to derivative Notes").

### **C. Securities information concerning Pfandbriefe with fixed or variable interest or zero coupon Pfandbriefe**

The following section contains the Securities Description relating to the Mortgage Pfandbriefe ("*Hypothekendarfandbriefe*"), and Public Sector Pfandbriefe ("*Öffentliche Darfandbriefe*") which may also be issued as Jumbo Pfandbriefe to be issued under the Programme.

#### ***Rules applicable to all Types of Darfandbriefe***

Darfandbriefe are standardized debt instruments issued by a Darfandbrief Bank. The quality and standards of Darfandbriefe are strictly governed by provisions of the Darfandbrief Act and subject to the prudential supervision of the BaFin. Darfandbriefe generally are medium- to long-term bonds, typically with an original maturity of two to ten years, which are secured or "covered" at all times by a pool of specified qualifying assets (*Deckung*), as described below. Darfandbriefe are recourse obligations of the issuing bank, and no separate vehicle is created for their issuance generally or for the issuance of any specific series of Darfandbriefe. Darfandbriefe may not be redeemed at the option of the holders prior to maturity.

As mentioned before, Darfandbriefe may either be Mortgage Darfandbriefe, Public Sector Darfandbriefe or Ship Mortgage Darfandbriefe. The outstanding Darfandbriefe of any one of these types must be covered by a separate pool of specified qualifying assets: a pool for Mortgage Darfandbriefe only, a pool only for Public Sector Darfandbriefe, and a pool covering all outstanding Ship Mortgage Darfandbriefe (each a "Cover Pool"). An independent trustee appointed by the BaFin has wide responsibilities in monitoring the compliance by the Darfandbrief Bank with the provisions of the Darfandbrief Act. In particular, the trustee monitors the sufficiency of the cover assets and maintains a register listing the assets provided as cover from time to time in respect of the Darfandbriefe of any given type.

The aggregate principal amount of assets in these Cover Pools must at all times at least be equal to the aggregate principal amount of the outstanding Darfandbriefe issued against such Cover Pool. Moreover, the aggregate interest yield on any such Cover Pool must at all times be at least equal to the aggregate interest payable on all Darfandbriefe relating to the Cover Pool. In addition, the coverage of all outstanding Darfandbriefe with respect to principal and interest must also at all times be ensured on the basis of the present value (*Barwert*). Finally, the present value of the assets contained in the Cover Pool must exceed the total amount of liabilities from the corresponding Darfandbriefe and derivatives by at least 2 per cent (*sichernde Überdeckung*).

Such 2 per cent excess cover must consist of highly liquid assets. Qualifying assets for the excess cover are (i) debt securities of the German government, a special fund of the German government, a German state, the European Communities, the states comprising the European Economic Area, Switzerland, the United States, Canada, Japan, any other European state with full OECD member status, the European Investment Bank, the World Bank, the Council of Europe Development Bank, or the European Bank for Reconstruction and Development; (ii) debt securities guaranteed by any of the foregoing entities; and (iii) credit balances maintained with the European Central Bank, the central banks of the member states of the European Union and appropriate credit institutions.

The Darfandbrief Bank must record in the register of cover assets for any Cover Pool of a given Darfandbrief type each asset and the liabilities arising from derivatives. Derivatives may be entered in such register only with the consent of the trustee and the counterparty.

The Darfandbrief Bank must command over an appropriate risk management system meeting the requirements specified in detail in the Darfandbrief Act and must comply with comprehensive disclosure requirements on a quarterly and annual basis set out in detail in the Darfandbrief Act.



### *Cover Pool for Mortgage Pfandbriefe*

The principal assets qualifying for the Cover Pool for Mortgage Pfandbriefe are loans secured by mortgages which may serve as cover up to the initial 60 per cent of the value of the property, as assessed by experts of the Pfandbrief Bank not taking part in the credit decision in accordance with comprehensive evaluation rules designed to arrive at the fair market value of the property.

The property that may be encumbered by the mortgages must be situated in a state of the European Economic Area, Switzerland, the United States, Canada or Japan.

In addition, the Cover Pool for Mortgage Pfandbriefe may comprise a limited portion of other assets as follows: (i) equalization claims converted into bonds; (ii) subject to certain qualifications, those assets which may also be included in the 2 per cent excess cover described above, up to a total sum of 10 per cent of the aggregate principal amount of outstanding Mortgage Pfandbriefe; (iii) the assets which may also be included in the Cover Pool for Public Sector Pfandbriefe referred to below, up to a total of 20 per cent of the aggregate principal amount of outstanding Mortgage Pfandbriefe, whereby the assets pursuant to (ii) above will be deducted, and, finally, (iv) claims arising under interest rate and currency swaps as well as under other qualifying derivatives contracted under standardized master agreements with certain qualifying counterparties, provided that it is assured that the claims arising under such derivatives will not be prejudiced in the event of the insolvency of the Pfandbrief Bank or any other Cover Pool maintained by it. The amount of the claims of the Pfandbrief Bank arising under derivatives which are included in the Cover Pool measured against the total amount of all assets forming part of the Cover Pool as well as the amount of the liabilities of the Pfandbrief Bank arising from such derivatives measured against the aggregate principal amount of the outstanding Mortgage Pfandbriefe plus the liabilities arising from derivatives may in either case not exceed 12 per cent, calculated in each case on the basis of the net present values.

### *Cover Pool for Public Sector Pfandbriefe*

In accordance with § 20 of the Pfandbrief Act, the Cover Pool for Public Sector Pfandbriefe may comprise payment claims under loans, bonds or similar transactions or certain other receivables of a wide spectrum of states and other public instrumentalities, including, but not limited to: (i) the German government as well as any German state, municipality or other qualifying public body in Germany; (ii) any state of the European Economic Area, Switzerland, the United States, Canada or Japan; (iii) any other European state with full OECD member status; (iv) the regional governments and local territorial authorities mentioned in para. (ii) above, if certain solvability conditions are met; (v) non-profit administrative authorities controlled by the central or regional governments or local territorial authorities of the states referred to in (ii) above if certain solvability conditions are met; (vi) the European Investment Bank, the World Bank, the Council of Europe Development Bank, or the European Bank for Reconstruction and Development; and, finally, (vii) any entity the obligations of which are guaranteed by a public entity referred to or mentioned in (i) through (iv) and (vi) above.

The Cover Pool may furthermore include the following assets: (i) equalization claims converted into bonds; (ii) credit balances maintained with the European Central Bank, a central bank of any EU member state or a suitable credit institution, up to a total sum of 10 per cent of the aggregate principal amount of outstanding Public Sector Pfandbriefe; and (iii) claims arising under derivatives as mentioned above, subject to the conditions and restrictions described in such paragraph. The limitations which apply to Mortgage Pfandbriefe apply here as well.

### *Cover Pool for Ship Mortgage Pfandbriefe*

The principal assets of the Cover Pool for Ship Mortgage Pfandbriefe are loans secured by ship mortgages. Any such mortgage may serve as cover up to an amount not exceeding 60 per cent of the fair market value of the ship.

In addition, the Cover Pool for Ship Mortgage Pfandbriefe may include other assets of the kind which qualify for a Cover Pool of Mortgage Pfandbriefe (see above).

#### *Insolvency Proceedings*

In the event of the institution of insolvency proceedings over the assets of the Pfandbrief Bank, any Cover Pool maintained by it would not be part of the insolvency estate, and, therefore, such insolvency would not automatically result in an insolvency of any Cover Pool. Only if at the same time or thereafter the relevant Cover Pool were to become insolvent, separate insolvency proceedings would be initiated against such Cover Pool by the BaFin. In this case, holders of Pfandbriefe would have the first claim on the respective Cover Pool. Their preferential right would also extend to interest on the Pfandbriefe accrued after the commencement of insolvency proceedings. Furthermore, but only to the extent that holders of Pfandbriefe suffer a loss, holders would also have recourse to any assets of the Pfandbrief Bank not included in the Cover Pools. As regards those assets, holders of the Pfandbriefe would rank equal with other unsecured and unsubordinated creditors of the Pfandbrief Bank.

One or two administrators (*Sachwalter* - "Administrator") will be appointed in the case of the insolvency of the Pfandbrief Bank to administer each Cover Pool for the sole benefit of the holders of Pfandbriefe. The Administrator will be appointed by the court having jurisdiction at the location of the head office of the Pfandbrief Bank at the request of the BaFin before or after the institution of insolvency proceedings. The Administrator will be subject to the supervision of the court and also of the BaFin with respect to the duties of the Pfandbrief Bank arising in connection with the administration of the assets included in the relevant Cover Pool. The Administrator will be entitled to dispose of the Cover Pool's assets and receive all payments on the relevant assets to ensure full satisfaction of the claims of the holders of Pfandbriefe. To the extent, however, that those assets are obviously not necessary to satisfy such claims, the insolvency receiver of the Pfandbrief Bank is entitled to demand the transfer of such assets to the insolvency estate.

Subject to the consent of the BaFin, the Administrator may transfer all or part of the cover assets and the liabilities arising from the Pfandbriefe issued against such assets to another Pfandbrief Bank.

#### ***Type and Class of the Pfandbriefe***

The Issuer will issue different series of non-interest bearing Pfandbriefe having specified denominations (zero coupon Pfandbriefe), and fixed rate or floating rate Pfandbriefe (or Pfandbriefe with a combination of interest structures) under the Programme. Each series may be subdivided into different tranches. The terms of the Pfandbriefe of any one tranche must be identical in every respect, whereas the tranches of a series may have different issue dates, interest commencement dates and/or issue prices.

The type of Pfandbriefe (i.e., mortgage Pfandbriefe or public sector Pfandbriefe) as well as the final terms and characteristics of the Pfandbriefe of any tranche or series and the ISIN or any other security identification code will be specified in the Final Terms (see Schedule 6). The Final Terms will also set forth the terms and conditions applicable to the relevant issue. In case of Pfandbriefe other than Jumbo Pfandbriefe, the Terms and Conditions comprise the "Terms and Conditions" applicable to all issues (see Schedule 2), and in case of Jumbo Pfandbriefe, the Terms and Conditions comprise the "Terms and Conditions" (see Schedule 3).

The Terms and Conditions may be prepared by the Issuer in consolidated form also. This will always be the case in case of Jumbo Pfandbriefe, and will usually be the case if the Issuer intends to sell the Pfandbriefe to non-qualified investors within the meaning of Section 2 no. 5 of the German Securities Prospectus Act. For these purposes, the Issuer will use the relevant sections set out in the form of Final Terms (see Schedule 6) as the basis and publish such sections, in each case together with the consolidated version of the conditions of Terms and Conditions of the

Pfandbriefe, in accordance with Section 14 of the German Securities Prospectus Act. In the event of non-consolidated conditions, the final conditions will be determined using the relevant sections set out in the form of Final Terms.

**Governing Law (see Schedule 2 Terms and Conditions § 11 and Schedule 3 Terms and Conditions § 9)**

The Pfandbriefe of each tranche or series will be issued under the terms specified in the Final Terms, under German law

**Form, Custody and Transfer of the Pfandbriefe (see Schedule 2 Terms and Conditions § 1(b) and (c) and Schedule 3 Terms and Conditions § 1(2))**

The Pfandbriefe will be issued as Global Pfandbriefe in bearer form and in the denominations specified in the Final Terms. The aggregate principal amount of each tranche or series will initially be represented by a Temporary Global Pfandbrief and subsequently by a Permanent Global Pfandbrief, which will be deposited with Clearstream Banking AG, Frankfurt am Main (Neue Börsenstraße 1, D-60487 Frankfurt am Main, Germany), or a depositary common to Clearstream Banking, société anonyme Luxembourg (42 Avenue JF Kennedy; L-1855 Luxembourg; Luxembourg) and Euroclear Bank S.A./N.V. (1 Boulevard du Roi Albert IIB - 1210 Brussels, Belgium) or any other clearing system (each a "Clearing System"), as specified in the Final Terms. Definitive securities will not be issued, unless the Final Terms provide for the issue of definitive securities.

The Pfandbriefe may be transferred in accordance with rules of the relevant Clearing System.

**Currency (see Schedule 2 Terms and Conditions § 1(a) and Schedule 3 Terms and Conditions § 1(1))**

The currency of issue of the Pfandbriefe is the euro, unless the Final Terms provide for a different currency (see "Risk Factors – Risk Factors Relating to the Pfandbriefe").

**Status and Ranking (see Schedule 2 Terms and Conditions § 2 and Schedule 3 Terms and Conditions § 5)**

The Pfandbriefe will to be issued will at all times rank pari passu and without any preference among themselves. In accordance with the Pfandbriefgesetz and depending on the type of Pfandbrief, the Pfandbriefe will be secured by a specific cover pool (see section "Rules applicable to all Types of Pfandbriefe", p. 74 ).

In the event of the institution of insolvency proceedings over the assets of the Issuer, the cover pool maintained by it would not be part of the insolvency estate, and, therefore, the holders of Pfandbriefe would have the first claim on the cover pool (see section "Rules applicable to all Types of Pfandbriefe" under "Insolvency Proceedings", p. 76)

**Early Redemption Rights (see Schedule 2 Terms and Conditions § 4(b) and Schedule 3 Terms and Conditions § 3)**

The Final Terms may provide for an early redemption right (*ordentliches Kündigungsrecht*) of the Issuer, or may exclude such early redemption rights.

*(i) No General Early Redemption Right (ordentliches Kündigungsrecht) for Holders of Pfandbriefe*

There is no general early redemption right in relation to the Pfandbriefe for holders of Pfandbriefe prior to the final redemption date (see Schedule 2 Terms and Conditions and Schedule 3 Terms and Conditions § 3).

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

Otherwise, the redemption of the Pfandbriefe prior to maturity may only be required if the Final Terms provide for a call option by the Issuer (see Schedule 2 Terms and Conditions § 4(b) alternative 2) (see "Risk Factors – Risk Factors Relating to the Pfandbriefe").

(iii) *Early Redemption Procedure*

If the Issuer may redeem the Pfandbriefe early, the Pfandbriefholders have to be notified of such redemption. This is done by giving notice in accordance with § 9 of the Terms and Conditions (see Schedule 2 Terms and Conditions § 9).

(iv) *Purchase*

The Issuer may at any time cancel Pfandbriefe purchased in the open market (see Schedule 2 Terms and Conditions § 4(c)).

**Interest (see Schedule 2 Terms and Conditions § 3 and Schedule 3 Terms and Conditions § 2)**

The Final Terms may provide for the issue of non-interest bearing, fixed rate or floating rate Pfandbriefe. The Final Terms may provide for maximum or minimum interest, or a step-up interest or any other interest method.

If none or one of the following types of interest have been provided for a Pfandbrief, the interest periods will be specified in the Final Terms.

If the Final Terms provide for a combination of these types of interest, each period with one of these types of interest is referred to as an Interest Accrual Period. In such case, the Final Terms will additionally specify the commencement and the end dates for each Interest Accrual Period.

(i) *Fixed Rate Pfandbriefe*

If the Final Terms provide for fixed interest on the Pfandbriefe (see Schedule 2 Terms and Conditions § 3 and Schedule 3 Terms and Conditions § 2), the Final Terms will specify the interest rate or the interest amount, as applicable, the interest periods, the interest payment date(s) per calendar year, the applicable business day convention and the interest calculation method (see "Risk Factors – Risk Factors Relating to the Pfandbriefe").

(ii) *Zero Coupon Pfandbriefe*

If the Pfandbriefe do not bear interest during their maturity, Zero Coupon Pfandbriefe, this will be specified in the Final Terms.

If, according to the provisions in the Final Terms, the Pfandbriefe do not bear interest during certain periods only, the Final Terms will specify the commencement and the end of each such period (see Schedule 2 Terms and Conditions § 3 and "Risk Factors – Risk Factors Relating to the Pfandbriefe").

(iii) *Floating Rate Pfandbriefe*

If the Final Terms provide for floating interest (not linked to the performance of a reference asset) on the Pfandbriefe, the Final Terms, in addition to the commencement and the end of interest accrual, the interest payment date(s) or interest period(s) per calendar year and the interest calculation method, will specify the business day convention, the individual interest components, the reference interest rate and the methodology of determination and calculation (also in case of market disruption) (see "Risk Factors – Risk Factors Relating to the Pfandbriefe").

The interest components will generally comprise a reference interest rate (in particular a EURIBOR or LIBOR rate) and a margin, if applicable. The Final Terms will set out how the reference interest rate will be determined.

The range of volatility of floating rates may be limited by provisions in the Final Terms stipulating a maximum and/or a minimum interest. The range of volatility may be increased by including multipliers (see Schedule 2 Terms and Conditions § 3.3(c)).

(iv) *Prescription*

The right to interest under bearer Pfandbriefe is subject to prescription. The period of prescription of the right to interest under bearer Pfandbriefe is two years. The prescription period begins at the end of the 10-year period during which the Pfandbriefe must be duly presented (see Schedule 2 Terms and Conditions § 7).

(v) *Calculation Agent*

Unless otherwise provided in the Final Terms, the relevant amount of interest payable on any Pfandbrief will be finally and conclusively determined by WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank as Calculation Agent.

(vi) *Risk Factors*

See "Risk Factors – Risk Factors relating to the Pfandbriefe".

***Due Dates and Payments (see Schedule 2 Terms and Conditions § 4(a) and § 5 and Schedule 3 Terms and Conditions § 3)***

The Final Terms may provide for redemption of the principal amount of the Pfandbriefe at a specified redemption date or for redemption of the Pfandbriefe in instalments.

(i) *Redemption at Maturity (see Schedule 2 Terms and Conditions § 4(a) and Schedule 3 Terms and Conditions § 3)*

The redemption date in relation to the principal amount at maturity will be specified in the Final Terms. On the redemption date, the holders are entitled to payment of the principal amount of the Pfandbriefe.

(ii) *Redemption in Instalments (see Schedule 2 Terms and Conditions § 4(a))*

If the Final Terms provide for redemption of the Pfandbriefe in instalments, the redemption dates and the payments due on such dates will be specified in the Final Terms. The aggregate amount of redemption instalments will at least equal the principal amount.

(iii) *Early Redemption*

In the event of early termination, the redemption date will be specified in the provisions applicable to the relevant termination.

(iv) *Method of Redemption (see Schedule 2 Terms and Conditions § 5 and Schedule 2 Terms and Conditions § 4)*

Any amounts payable in accordance with the Terms and Conditions of the Pfandbriefe will be paid by the Issuer to the relevant Clearing System for credit to the accounts of the relevant depositary banks to be paid to the Pfandbriefholders.

If any due date for payment is not a business day, the Final Terms will provide for the determination of an alternative payment date. In such event, the Pfandbriefholders will neither be entitled to payment as a consequence of the payment date falling after the due date for payment nor to default interest (*Verzugszinsen*) or any other compensation on account of such adjustment.

(v) *Prescription*

The rights to payment of principal under bearer Pfandbriefe are subject to prescription. The period of prescription of the rights to payment under bearer Pfandbriefe is two years. The prescription period begins at the end of the 10-year period during which the Pfandbriefe must be duly presented (see Schedule 2 Terms and Conditions § 7).

(vi) *Early Redemption Rights*

The different early redemption rights are set out above under "Early Redemption Rights".

## **D. Information concerning the keep-well statement (Patronatserklärung) of WGZ BANK**

### ***Keep-well statement***

WGZ BANK has granted a Keep-well statement ("Patronatserklärung") for the benefit of the Issuer, pursuant to which WGZ BANK has undertaken, in the maximum amount of its participation in the Issuer's share capital, to procure – except in case of political risk – that the Issuer shall always be run and financially equipped so that it can meet its obligations which have been entered into during WGZ BANK's shareholding in the Issuer as and when they fall due.

### ***Application of Keep-well Agreement***

In the event the Issuer should not be able to pay its obligations for Non Equity Securities issued under the Programme when due, WGZ BANK is, during the term of its shareholdings of the Issuer, required to pay to the Issuer all amounts so that the Issuer is in a position to pay any amount due principal and/or interest to the holders of Non Equity Securities.

The Keep-well statement does not constitute a guarantee. Therefore, it does not give holders of Non Equity Securities any direct payment claim against WGZ BANK in the event that the Issuer defaults with regard to payments to be made under the Non Equity Securities. No assurance is provided that WGZ BANK will remain a majority shareholder of the Issuer.

## **E. Other Conditions applicable to all Non Equity Securities**

**Yield** The yield and the method whereby the yield is calculated will in each case be disclosed in the Final Terms if this is practicable at the time the Final Terms are published.

### **Meetings of Noteholders**

The provisions of the German Act relating to Bonds of 4 December 1899 (*Schuldverschreibungsgesetz*) will apply subject to an amendment of legislation.

### **Basis of Authorisation**

The Programme was authorised by the Issuer's Management Board, the lawfully competent corporate body under the Issuer's statutes on 15 July 2005 and the update of the Programme was authorised by the Issuer's Management Board, the lawfully competent corporate body under the Issuer's statutes on 3 March 2006. The Programme permits the Issuer to issue Non Equity Securities in an amount of up to the Programme limit of currently EUR 15,000,000,000 during the term of validity of this Base Prospectus. No additional specific resolutions, authorisations or approvals by the Issuer's corporate bodies are required for the issue of Non Equity Securities under the Programme.

### **Issue Date**

The issue date of each issue of Non Equity Securities to be issued under the Programme will be specified in the relevant Final Terms.

### **Selling Restrictions**

The Non Equity Securities are freely transferable. Offers and sales of Non Equity Securities issued under this Programme are subject to the selling restrictions applicable in the jurisdictions where the Non Equity Securities are offered or sold. The selling restrictions in respect of such jurisdictions as are parties to the Agreement on the European Economic Area (EEA), the United States and the United Kingdom are set out below. Additional selling restrictions, if any, may be set out in the Final Terms.

#### **(i) EEA States**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (the "Prospectus Directive") (each, a "Relevant Member State"), each Dealer represents and agrees, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;



- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (d) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

(ii) *United States*

The Non Equity Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the "Securities Act") and are subject to U.S. tax law requirements. Subject to certain exceptions, with respect to Tefra C and Tefra D, Non Equity Securities may not be offered, sold or delivered within the United States or with respect to Tefra D to U.S. persons. Each Dealer has agreed that it will not offer, sell or deliver any Non Equity Securities within the United States, except as permitted by the Dealer Agreement.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of such Non Equity Securities, an offer or sale of Non Equity Securities within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

(iii) *United Kingdom*

Each Dealer has represented, warranted and agreed and each further Dealer appointed will be required to represent, warrant and agree that:

(1) in relation to any Non Equity Securities which have a maturity of less than one year, (a) 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 (b) it has not offered or sold and will not offer or sell any Non Equity Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or 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 Non Equity Securities would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the "**FSMA**") by the Issuer;

(2) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Non Equity Securities in circumstances in which section 21(1) of the FSMA does not, or would not, if it was not an authorised person, apply to the Issuer; and

(3) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Non Equity Securities in, from or otherwise involving the United Kingdom.

***Tax Treatment of the Non Equity Securities (see Terms and Conditions Schedules 1 and 2 § 7)***

If payment under the Non Equity Securities is made to investors which are not resident in the Federal Republic of Germany, no tax should be withheld at source, i.e. by the Issuer, in the Federal Republic of Germany. In the event that withholding tax is introduced in Germany, in case of Non Equity Securities (other than Pfandbriefe) a gross-up amount must be paid by the Issuer to the relevant Noteholder equal to the amount required to put the Noteholder into the position he would be in if no withholding tax had been withheld (see Schedules 1 and 2 § 7). In such event, the Issuer will have an extraordinary redemption right (*Sonderkündigungsrecht*) (see Schedules 1 and 2 § 4(b)).

If the Non Equity Securities are offered by the Issuer other than in the Federal Republic of Germany, information relating to withholding tax may be disclosed in the Final Terms or, in the event of an offer which is made after completion of the Final Terms, in a supplement to this Base Prospectus.

**Federal Republic of Germany**

The following discussion of certain German tax consequences of buying, holding or disposing of the Non Equity Securities is based on tax laws, regulations, decisions, judgments and administrative decrees currently in effect, which may be amended or construed differently, potentially with retroactive or retrospective effect. However, this section does not refer to all possible tax considerations which are relevant to the decision of any potential purchaser with respect to buying, holding or disposing of a Non Equity Security; in particular, it does not refer to specific circumstances which may be relevant to certain purchasers. This means that the following text exclusively refers to Non Equity Securities as an investment as such (unless expressly indicated otherwise) and does not address any persons in their specific tax situation. The information contained in the following section is not intended as and does not purport to be legal or tax advice.

**Potential investors in the Non Equity Securities are therefore advised to consult their own tax and legal advisers as to the German and other tax consequences of buying, holding or disposing of the Non Equity Securities.**

**German Tax Residents**

*Taxation of Interest Income*

Under German tax law, currently in effect, payment of principal on the Non Equity Securities is not subject to German taxation whereas payment of interest on the Non Equity Securities, including payment for interest accrued to a disposal of a Note and which is credited separately ("**Accrued Interest**"; *Stückzinsen*) to persons who are tax residents of Germany (including persons whose residence, habitual abode, statutory seat or place of management is located in Germany, a "**German Holder**") is subject to German income or corporate income tax. If the Non Equity Securities are held in a German business establishment for trade tax purposes, interest income derived from the Non Equity Securities will also be subject to trade tax on income, which is a municipal tax levied at an effective tax rate of currently 12% to 20% depending on the trade tax factor applied by the relevant municipality.

*Withholding Tax on Interest Income*

If the Non Equity Securities are held in a custodial account maintained by a German Holder with a German branch of a German or foreign bank or financial services institution (a "**German**

**Disbursing Agent**"), which pays or credits the interest, a 30% withholding tax (*Zinsabschlagsteuer*) on interest payments, including Accrued Interest received, plus a 5.5% solidarity surcharge thereon, will be levied, resulting in a total withholding tax charge of 31.65% on the gross amount of interest paid. Accrued Interest paid by a German Holder upon the purchase of the Non Equity Securities may be set-off against the amount of interest income received by such German Holder and, under certain circumstances, may reduce the amount subject to withholding tax. If the Non Equity Securities are presented for payment or credit at the office of the German Disbursing Agent (over-the-counter-transaction; *Tafelgeschäft*) the withholding tax will be imposed at a rate of 35% (plus a 5.5% solidarity surcharge thereon), resulting in a total tax charge of 36.925%.

If the Noteholder is an individual to whom income from the Non Equity Securities constitutes income from a capital investment and such Noteholder has filed a certificate of exemption (*Freistellungsauftrag*) with the German Disbursing Agent, no tax will be withheld by the German Disbursing Agent to the extent that the interest income derived from the Non Equity Securities together with other investment income administered by the German Disbursing Agent does not exceed the maximum exemption amount shown on this certificate. Similarly, no tax will be withheld if the Noteholder submits to the German Disbursing Agent a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the competent local tax office.

Withholding tax and the solidarity surcharge thereon might be credited as prepayments against the German Holder's final tax liability for German personal or corporate income tax purposes and the respective solidarity surcharge, or, if in excess of such final tax liability, refunded upon application.

German tax resident individuals (private investors) are entitled to a standard deduction (*Werbungskostenpauschbetrag*) of EUR 51 (EUR 102 for married couples filing their tax return jointly) in computing their income from capital investment (including income earned from the Non Equity Securities) as well as a personal annual exemption (*Sparer-Freibetrag*) of EUR 1,370 (EUR 2,740 for married couples filing their tax return jointly) with respect to such investment income.

#### *Disposal or Redemption of the Non Equity Securities*

Capital gains resulting from the disposal or redemption of Non Equity Securities (or, as the case may be, from the payment at maturity of the Non Equity Securities) realised by individual German Holders holding the Non Equity Securities as private assets ("**Private German Investors**") are generally taxable if the capital gain is realised within one year after the acquisition of the Non Equity Securities. Capital losses realised by Private German Investors in respect of the Non Equity Securities may only be set-off against taxable capital gains resulting from a disposal of Non Equity Securities or from other private transactions within the same fiscal year and, subject to certain limitations, in the preceding year or in subsequent years.

Capital gains realised by Private German Investors are only taxable if the aggregate amount derived from taxable private transactions exceeds an exempt threshold (*Freigrenze*) of EUR 512 in one calendar year.

Capital gains derived from the disposal or redemption of Non Equity Securities are not subject to German income tax if the Non Equity Securities are sold or redeemed more than one year after their acquisition, provided that the Non Equity Securities do not qualify as financial innovations, as described under the following caption "Special Rules for Financial Innovations".

Irrespective of a holding period, any capital gain resulting from the disposal or redemption of Non Equity Securities (or, as the case may be, from the payment at maturity of the Non Equity Securities) are subject to income or corporate income tax, including trade tax, if such Non Equity Securities are held as business assets of a German Holder.

## Special Rules for Financial Innovations

To the extent that Non Equity Securities are classified as financial innovations ("**Financial Innovations**"; *Finanzinnovationen*), special provisions apply to the disposal or redemption, or upon maturity, of such Non Equity Securities. In particular, debt instruments may classify as Financial Innovations if they provide for a floating rate, an issue discount or certain optional redemption rights.

If Non Equity Securities are classified as Financial Innovations, capital gains arising upon the disposal or redemption, or upon maturity, of Non Equity Securities realised by a Private German Investor (including capital gains so derived by a secondary or subsequent purchaser who is a Private German Investor) are subject to income tax in an amount equivalent to the pro rata yield to maturity, regardless of the one-year holding period described above under the caption "Disposal or Redemption of the Non Equity Securities". If no yield to maturity (*Emissionsrendite*) can be established, the difference between the proceeds from the disposal or redemption and the purchase price of the Non Equity Securities (market yield; *Marktrendite*), is deemed to be interest income. If Non Equity Securities are denominated in a currency other than Euro, the market yield is calculated in the respective currency. Currency gains are only taxable if the disposal or redemption occurs within one year after the acquisition of the Non Equity Securities. If a yield to maturity can be established, only the part of the capital gain attributable to such yield to maturity during the period the respective German Private Investor held the Note is subject to income tax.

Upon the disposal or redemption, or upon maturity of Non Equity Securities that are classified as Financial Innovations, the market yield is subject to 30% withholding tax (plus a solidarity surcharge of 5.5% thereon) if the Non Equity Securities are held in a custodial account by the same German Disbursing Agent since the acquisition of the Non Equity Securities. If the Non Equity Securities have not been so held by the same German Disbursing Agent, withholding tax will be imposed at the rate of 30% of the proceeds received upon the disposal or redemption, or upon the maturity, of the Non Equity Securities.

As described above such withholding tax might be credited or refunded upon application.

## German Tax Non-Residents

Income derived from the Non Equity Securities by persons who are not tax residents of Germany is in general exempt from German income or corporate income taxation, and no withholding tax shall be withheld (even if the Non Equity Securities are held with a German Disbursing Agent), provided (i) the Non Equity Securities are not held as business assets of a German permanent establishment of the Noteholder, including a permanent representative, or fixed base of the Noteholder, (ii) the income derived from the Non Equity Securities does not otherwise constitute German source income (such as income from the letting and leasing of certain German situs property), (iii) the Non Equity Securities are not presented for payment at the offices of a German branch of a German or foreign bank or financial services institution in an over-the-counter-transaction (*Tafelgeschäft*) and, (iv) in the event that the Non Equity Securities are held in a custodial account maintained by a German Disbursing Agent, the Noteholder complies with the applicable procedural rules under German law and provides evidence of the fact that the Non Equity Securities are not subject to taxation in Germany.

If the interest is subject to German taxation (for example, if the Non Equity Securities are held as business assets of a German permanent establishment of a Noteholder), such Noteholder is subject to a tax treatment similar to that described above under the caption "German Tax Residents". Under certain circumstances, foreign Holders of the Notes may benefit from tax reductions or tax exemptions under double tax treaties, if any, entered into with Germany.

## European Union Directive on the Taxation of Savings Income

On 3 June 2003 the Council of the European Union (ECOFIN) approved a directive regarding the taxation of interest income. Accordingly, each EU Member State must provide to the tax authorities of the other Member States details of the payment of interest made by a person in its jurisdiction to any individual resident in the other relevant EU Member State.

For a transitional period, Austria, Belgium and Luxembourg may opt instead to withhold tax from interest payments within the meaning of the directive at a rate of 15% for the first three years from application of the provisions of the directive, 20% for the subsequent three years, and 35% from the seventh year after application of the provisions of the directive.

The Council of the European Union agreed that the provisions to be enacted for implementation of the directive had to be applied by the member states as of 1 July 2005. This presupposed that (i) Switzerland, Liechtenstein, San Marino, Monaco and Andorra apply measures equivalent to those contained in the directive, in accordance with agreements entered into by them with the European Community and (ii) also all the relevant dependent or associated territories (the Channel Islands, the Isle of Man and the dependent or associated territories in the Caribbean) apply from that same date an automatic exchange of information or, during the transitional period described above, apply a withholding tax in the described manner.

By legislative regulations dated 26 January 2004, the German Federal Government enacted the provisions for implementing the directive into German law, which entered into full force and effect on 1 July 2005.

### **Gift or Inheritance Taxation**

No estate, inheritance or gift taxes with respect to any Non Equity Securities will arise under the laws of Germany, if, in the case of estate and inheritance taxes, both the decedent and the beneficiary, and, in the case of gift taxes, both the donor and the donee, are tax non-residents and are not deemed to be a tax resident of Germany at the time of the transfer and such Non Equity Securities are not attributable to a permanent establishment in Germany. In the case of a decedent, donor or heir who is a German national, this only applies if such person has been a non-resident of Germany for more than five consecutive years.

### **Stamp Duty**

No stamp, issue, registration or similar taxes or duties will be payable in Germany in connection with the issuance, delivery or execution of the Non Equity Securities. Currently, net assets tax is not levied in Germany.

## **Terms and Conditions of the Offer**

### ***Timetable and Action Required to Apply for the Offer***

The issue is offered for subscription or purchase by the Issuer and/or by the banks which may have underwritten all or part of the issue. In addition, following an admission to stock exchange listing, the Non Equity Securities may be purchased through the stock exchange or at the Issuer or the banks, as the case may be.

### ***Terms of the Offer***

The subscription or issue price for Non Equity Securities issued under this Programme is determined in accordance with supply and demand, is subject to continuous adjustment in accordance with the market situation and may be obtained from the Issuer and the banks which have underwritten all or part of the issue or which have purchased the issue through the stock exchange in the event of official listing.

### ***Total Amount Issued***

The total amount offered and the total amount issued, if different from the total amount offered, will be specified in the Final Terms. If the total amount issued cannot be specified in the Final Terms, the date and the manner of calculation will be set out in the Final Terms.

### ***Time Period of the Offer***

The Non Equity Securities will be offered either continuously or within the stated time period of the offer continuously on the basis of the relevant current price as determined in accordance with prevailing market conditions or in any other manner as specified in the relevant Final Terms. Further, the Issuer reserves the right to end the offer before the expiry of the stated time period, if subscription applications have been made in an amount equal to the total amount of Non Equity Securities offered. If during the relevant period of the offer, the market environment or other external conditions relevant to the issue change to such a material extent that in the view of the Issuer, the offer of the Non Equity Securities is no longer consistent with the prevailing market situation, the Issuer will be entitled either to end the offer before the expiry of the stated time period or not to issue the Non Equity Securities.

***Subscription*** Payment of the subscription or purchase price will be made on the basis of the subscription or purchase agreement for the Non Equity Securities to be made between the Issuer or the offering bank, as the case may be, and the investor. No prepayment or allotment of the Non Equity Securities will be made, except as otherwise provided in the Final Terms. Minimum or maximum subscription investment amounts, if any, will be specified in the Final Terms.

### ***Subscription Price***

The subscription or purchase price will be specified in the Final Terms.

### ***Delivery***

Delivery and payment in the case of the initial sale will be made on the value date of the issue, and thereafter in accordance with the individual purchase agreements, in each case by delivery against payment via the relevant Clearing System pursuant to the rules applicable to such Clearing System.

### ***Result of the Offer***

Since the Non Equity Securities normally will continue to be sold in the open market after the lapse of time period of the offer, it is not possible to publish the results of the offer.

### ***Subscription Rights***

There will be no subscription rights.

### ***Allotment of the Non Equity Securities***

An allotment, if any, will be provided for in the Final Terms. Payment of the purchase price will be made on the basis of the purchase agreement for the Non Equity Securities to be made between the Issuer or the offering bank, as the case may be, and the investor.

### ***Categories of Target Investors and Target Markets***

If the offer is limited to certain markets and/or categories of target investors, this will be specified in the Final Terms. Otherwise, the Non Equity Securities may be purchased by any investor, unless this is contrary to applicable provisions of law.

### ***Allotment Procedure***

If an allotment procedure has been provided for, the details, particular those of the notification to applicants of the amount allotted and indication whether dealing may begin before notification is made, will be specified in the Final Terms.

### ***Pricing***

The initial offer price will be determined by the Issuer in its reasonable discretion on the basis of prevailing market conditions. When Non Equity Securities are purchased, the then applicable fee rates will be used as a basis.

Pricing will be made on the relevant stock exchanges, if appropriate, in accordance with the relevant applicable exchange rules and regulations.

### ***Placing and Underwriting***

#### ***Underwriters***

The Non Equity Securities issued under this Programme may be placed by a group of underwriting banks or by individual banks (see section "*Underwriting*" below) or directly by the Issuer.

#### ***Paying Agents***

Payments will be made in accordance with the Terms and Conditions.. WGZ-Bank AG, Westdeutsche Genossenschafts-Zentralbank, Ludwig-Erhard-Allee 20, 40227 Düsseldorf will be the Principal Paying Agent. The Issuer may appoint further paying agents other than the Principal Paying Agent referred to above and will give notice of any changes made to the Paying Agents. In the case that WGZ BANK will not be the Paying Agent for a Series of Non-Equity Securities, the relevant Paying Agent(s) will be specified in the Final Terms.

#### ***Underwriting***

The Non Equity Securities issued under this Programme may be placed by a group of underwriting banks or by individual banks or directly by the Issuer. The Issuer has entered into a Dealer Agreement with Dresdner Bank AG and the Dealers. Programme Dealers may be members of a group of banks underwriting an issue of Non Equity Securities or may underwrite Non Equity Securities on the basis of a bilateral agreement. However, the Issuer may appoint further banks for the purposes of underwriting Non Equity Securities as Programme Dealers or as Dealers to underwrite single tranches.

In the event of underwriting by one or more banks, the names and addresses of the banks will be specified in the Final Terms.

#### ***Subscription Agreement***

If Non Equity Securities are underwritten by a group of underwriting banks or by individual banks, the Issuer will enter into a subscription agreement with such banks for the purposes of underwriting. The underwriting banks will receive a commission for the underwriting and placing, if any, of the Non Equity Securities, details of such commission will be set forth in the Final Terms. The Issuer will make certain representations and warranties to the banks in the subscription

agreement and will agree to be liable for any damage or loss incurred by the banks in connection with a breach of such representations and warranties.

### ***Calculation Agent***

Details relating to a calculation agent, if any, can be found in the Final Terms.

### **Admission to Trading and Dealing Arrangements**

#### ***Admission to Trading***

The Issuer has applied for the admission of the Non Equity Securities offered on the basis of this Base Prospectus to trading on the official Market of the Düsseldorf Stock Exchange. The admission to listing will be applied for, if a stock exchange listing has been provided for in the Final Terms.

In the event of a purchase or sale through the stock exchange, the prices are subject to supply and demand and are determined in accordance with the relevant applicable exchange rules and regulations.

#### ***Stock Exchange Listings***

The Issuer will apply for issues to be admitted to German and European stock exchanges on an ongoing basis, if this has been provided for in the relevant Final Terms.

#### ***Market Making***

Information relating to market making, if any, will be set forth in the relevant Final Terms.

### **Additional Information**

***Advisers*** If any advisers are involved in an issue, such advisers and their function will be set out in the Final Terms.

#### ***Audit Reports***

The issues of Non Equity Securities will be audited or reviewed by a statutory auditor only in connection with the annual or interim audits of the Issuer, to the extent such audits are required.

#### ***Experts***

In connection with the preparation of this Base Prospectus, the Issuer has not relied on statements made by experts.

#### ***Information Sources***

Details relating to the information sources from which information included in the Final Terms have been obtained can be found in the relevant Final Terms.

***Credit Rating*** As of the date of approval of this Base Prospectus, the Issuer has received the following ratings from Standard and Poor's set out below:

Issuer rating	A/stable/A-1
Public Sector Pfandbriefe	AAA
Mortgage Pfandbriefe	AAA
Certified Bank Deposits	A/A-1
Unsecured Liabilities	A
Short Term Liabilities	A-1
Secured Short Term Liabilities	A-1+



If a Series of Non Equity Securities will be separately rated, the relevant rating will be set out in the Final Terms.

Rating information is merely an aid for investors for the purposes of decision-making and cannot replace an individual judgment to be made by the investor and may not be taken as a recommendation to purchase or sell certain Non Equity Securities. Ratings are merely intended as a support when making an investment decision and are only one of the factors relevant to an evaluation, which factor must be seen and weighted in the context of other factors. As ratings often are amended only after the creditworthiness of an issuer has changed, investors have to make their own judgments although a rating may exist (see "Risk Factors – Risk Factors Relating to the Non Equity Securities").

***Post-Issuance Information***

The Final Terms will specify whether the Issuer will provide post-issuance information and, if so, the manner of information and where such information can be obtained.

## INDEX TO FINANCIAL STATEMENTS

### The Issuer

*In the following financial statements, references to "WL-BANK" are to WL-BANK;  
the reference to "WGZ BANK" are to WGZ BANK and its consolidated subsidiaries.*

### WL-BANK

The audited financial statements as at and for the years ended 31 December 2005 and 2004 are incorporated to this Base Prospectus by reference and are deposited with the Düsseldorf Stock Exchange (<http://www.boerse-duesseldorf.de> or Börse Düsseldorf AG, Ernst-Schneider-Platz 1 40212 Düsseldorf).

	Page
Cash Flow Statement as at 31 December 2005 and 31 December 2004.....	F-2

### WGZ BANK

The audited financial statements as at and for the years ended 31 December 2003 and 2004 are incorporated to this Base Prospectus by reference and is deposited with the Düsseldorf Stock Exchange.

<b>Excerpts from WGZ BANK Annual Financial Statements 2005.....</b>	<b>F-4- to F-23</b>
Balance sheet.....	F-5
Profit and loss account.....	F-9
Notes to the financial statements.....	F-11
Auditors' report for the financial statements.....	F-22
<b>Excerpts from WGZ BANK Consolidated Annual Financial Statements 2005.....</b>	<b>F-24- to F-49</b>
Consolidated Balance Sheet.....	F-25
Consolidated Profit and Loss account.....	F-29
Notes to the Consolidated financial statements.....	F-31
Consolidated Cash Flow Statement.....	F-41
Consolidated Segment Reporting.....	F-43
Consolidated Statement of Owner's Equity.....	F-47
Auditors' report for the Consolidated financial statements.....	F-48

## Cash Flow Statement DRS 2 (indirect method)

		2005	2004
		In thousands of euros	
1.	Net income	14,730	12,916
	Adjustments to reconcile net income to net cash provided by operating activities		
2.	+/- Write-downs, write-ups and depreciation on receivables, plant, property and equipment and on non-current financial assets	36,452	49,822
3.	+/- Increase/decrease of accruals and provisions	2,848	598
4.	+/- Change in other non-cash positions	0	0
5.	-/+ Result from the sale of investments, property, plant and equipment	28	2
6.	-/+ Other adjustments	-73,800	-69,526
<b>7.</b>	<b>= Sub-total</b>	<b>-19,798</b>	<b>-6,192</b>
	Change in current assets and liabilities		
8.	Receivables		
8a.	+/- from financial institutions	-1,578,902	-629,159
8b.	+/- from customers	-1,822,051	-1,421,898
9.	+/- Securities (except those treated as financial investments)	-308,876	-163,008
10.	+/- Other assets relating to operating activities	-69,571	-37,459
11.	Payables		
11a.	+/- to financial institutions	871,137	585,319
11b.	+/- to customers	1,711,412	568,035
12.	+/- Securitized liabilities	3,098,989	2,902,229
13.	+/- Other liabilities relating to operating activities	12,825	-11,749
14.	+ Interest and dividends received	1,323,841	1,163,601
15.	- Interest paid	1,237,019	1,085,312
16.	+ Commission received/paid	0	0
17.	+/- Taxes on income paid	8,454	8,161
<b>18.</b>	<b>= Cashflows from operating activities</b>	<b>1,973,533</b>	<b>1,856,246</b>
19.	Cash receipts from the disposal of		
19a.	+ financial non-current assets	503,609	684,209
19b.	+ property, plant and equipment	110	7
20.	Cash payments for investments in		
20a.	- financial non-current assets	2,457,062	2,588,112

20b.	-	property, plant and equipment	791	16,386
21.	+/-	Net cash from the disposal or acquisition of subsidiaries and other business	0	0
<b>22.</b>	<b>=</b>	<b>Cashflows from investing activities</b>	<b>-1,954,134</b>	<b>-1,920,282</b>
23.	+	Cash receipts from capital increase	0	63,590
24.	-	Cash payments to owners and minority shareholders (dividends paid)	5,976	4,416
25.	+/-	Changes in funds relating to "other capital" (net)	-3,008	4,887
<b>26.</b>	<b>=</b>	<b>Cashflows from financing activities</b>	<b>-8,984</b>	<b>64,061</b>
27.	+/-	Change in cash funds from cash relevant transactions	0	0
28.	+	Cash funds at the beginning of period	117	92
<b>29.</b>	<b>=</b>	<b>Cash funds at the end of period</b>	<b>10,532</b>	<b>117</b>

As regards the cash flow statement, the following attestation was provided by DGR Deutsche Genossenschafts-Revision Wirtschaftsprüfungsgesellschaft GmbH to WL BANK:

"We have audited the cash flow statements by the Issuer for the business years 2005 and 2004. The cash flow statements supplement the annual financial statements of the Issuer for the business years 2005 and 2004 prepared on the basis of the German generally accepted accounting principles. The preparation of the cash flow statements for the business years 2005 and 2004 are the responsibility of the Issuer's management.

Our responsibility is to express an opinion based on our audit, whether the cash flow statements for the business years 2005 and 2004 have been properly prepared based on the annual financial statements for the business years 2005 and 2004 and in accordance with German generally accepted accounting principles. The audit of the underlying annual financial statements is not subject of this engagement.

We planned and performed our audit correspondingly to the German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer in Deutschland (IDW) such that material misstatements in the preparation of the cash flow statements on the basis of the underlying financial statements are detected with reasonable assurance.

In our opinion the cash flow statements for the business years 2005 and 2004 have been properly prepared on the basis of the financial statements for the business years 2005 and 2004 in accordance with German generally accepted accounting principles."

DGR Deutsche Genossenschafts-Revision  
Wirtschaftsprüfungsgesellschaft GmbH

(Holzschuh)  
Wirtschaftsprüfer

i.V. (Schraer)  
Wirtschaftsprüfer

**WGZ BANK**  
**Annual Financial**  
**Statements 2005**



**ERLEBNUNG**  
**WGZ**  
**Die Init**

as at 31.12. 2005

A s s e t s					
	EUR '000	EUR '000	EUR '000	2004 EUR '000	
<b>1. Cash reserves</b>					
a) cash on hand		969		897	
b) balances with central banks		161,537	162,506	216,073	216,970
<i>including:</i>					
with Deutsche Bundesbank	161,537			216,073	
<b>2. Debt issued by public-sector borrowers and bills of exchange rediscountable at central banks</b>					
a) Treasury bills and Treasury discount notes, as well as similar debt issues by public-sector borrowers		-		-	
<i>including:</i>					
rediscountable at Deutsche Bundesbank	-			-	
b) Bills of exchange		24,526	24,526	27,737	27,737
<i>including:</i>					
rediscountable at Deutsche Bundesbank	24,526			27,737	
<b>3. Claims on banks</b>					
a) payable on demand		655,981		380,942	
b) other claims		17,053,905	17,709,886	15,724,938	16,105,880
<i>including:</i>					
on member banks	10,297,104			10,360,180	
<b>4. Claims on customers</b>			6,226,736		6,421,061
<i>including:</i>					
secured by mortgages on real estate	1,293,831			1,377,464	
public-sector loans	1,580,545			1,729,850	
<b>5. Bonds and other fixed interest securities</b>					
a) money market papers					
aa) issued by public-sector issuers	391			-	
<i>including: eligible as collateral for Deutsche Bundesbank advances</i>	391			-	
ab) issued by other issuers	5,654	6,045		25,886	25,886
<i>including: eligible as collateral for Deutsche Bundesbank advances</i>	5,038			10,893	
b) bonds and notes					
ba) issued by public-sector issuers	3,318,380			2,982,547	
<i>including: eligible as collateral for Deutsche Bundesbank advances</i>	3,191,887			2,795,923	
bb) issued by other issuers	5,960,133	9,278,513		5,800,469	8,783,016
<i>including: eligible as collateral for Deutsche Bundesbank advances</i>	4,362,198			3,827,471	
c) own bonds and notes		193,042	9,477,600	130,451	8,939,353
nominal amount	188,210			126,872	
<b>6. Shares and other variable rate securities</b>			506,465		479,293
carried forward:			34,107,719		32,190,294

## LIABILITIES

	EUR '000	EUR '000	EUR '000	2004 EUR '000	
<b>1. Liabilities to banks</b>					
a) payable on demand		4,972,438		5,340,736	
b) with original periods or periods of notice		17,941,722	<b>22,914,160</b>	17,986,642	23,327,378
<i>including:</i>					
<i>to member banks</i>	8,784,581			9,989,712	
<b>2. Liabilities to customers</b>					
a) saving deposits		-		-	
b) other liabilities					
ba) payable on demand	1,752,890			832,247	
bb) with original period or periods of notice	2,775,372	4,528,262	<b>4,528,262</b>	2,838,325	3,670,572
<b>3. Securitised liabilities</b>					
a) bonds and notes issued		5,593,307		4,604,323	
b) other securitised liabilities		45,388	<b>5,638,695</b>	39,156	4,643,479
<i>including:</i>					
<i>money market papers</i>	45,388			39,156	
<i>own acceptances and promissory notes outstanding</i>	-			-	
<b>4. Liabilities on a trust basis</b>			<b>14,516</b>		16,543
<i>including:</i>					
<i>loans at third-party risk</i>	14,516			16,543	
<b>5. Other liabilities</b>			<b>421,301</b>		177,114
<b>6. Accruals and deferrals</b>			<b>70,175</b>		57,266
<b>7. Provisions</b>					
a) provisions for pensions and similar commitments		78,841		71,971	
b) provisions for taxation		25,658		19,886	
c) other provisions		103,051	<b>207,550</b>	86,564	178,421
<b>8. Subordinated liabilities</b>			<b>330,549</b>		343,331
<b>9. Profit-sharing rights outstanding</b>			<b>390,122</b>		441,251
<i>including:</i>					
<i>maturing in less than two years</i>	71,581			92,033	
<b>10. Fund for general banking risks</b>			<b>425,602</b>		360,000
<b>11. Capital and reserves</b>					
a) subscribed capital		604,600		528,564	
b) capital reserves		212,900		-	
c) revenue reserves					
ca) statutory reserves	354,000			354,000	
cb) reserves for own shares	21			-	
cc) reserves required by articles of association	25,000			-	
cd) other revenue reserves	353,979	733,000		354,000	708,000
d) distributable profit		62,888	<b>1,613,388</b>	31,711	1,268,275
carried forward:			<b>36,554,320</b>		34,483,630

as at 31.12. 2005

## A S S E T S

	EUR '000	EUR '000	EUR '000	2004 EUR '000
brought forward			<b>34,107,719</b>	32,190,294
<b>7. Investments and proprietors' capital holdings</b>				
a) investments		934,761		934,954
<i>including:</i>				
<i>in banks</i>	131,804			131,463
<i>in financial services companies</i>	-			-
b) proprietors' capital holding at cooperatives		1,651	<b>936,412</b>	1,651
<i>including:</i>				
<i>at credit cooperatives</i>	280			280
<i>at financial services companies</i>	-			-
<b>8. Holdings in affiliated companies</b>			<b>1,183,819</b>	1,073,595
<i>including:</i>				
<i>in banks</i>	152,258			178,658
<i>in financial services companies</i>	-			-
<b>9. Assets held on a trust basis</b>			<b>14,516</b>	16,543
<i>including:</i>				
<i>loans held at third-party risk</i>	14,516			16,543
<b>10. Intangible assets</b>			<b>2,332</b>	-
<b>11. Tangible fixed assets</b>			<b>19,362</b>	24,984
<b>12. Own shares</b>			<b>21</b>	-
<i>nominal amount</i>	21			-
<b>13. Other assets</b>			<b>244,360</b>	170,048
<b>14. Accruals and deferrals</b>			<b>45,779</b>	71,561
<b>Total assets</b>			<b>36,554,320</b>	<b>34,483,630</b>



## LIABILITIES

	EUR '000	EUR '000	EUR '000	2004 EUR '000
<b>brought forward</b>			<b>36,554,320</b>	<b>34,483,630</b>
<b>Total liabilities</b>			<b>36,554,320</b>	<b>34,483,630</b>
<b>1. Contingent liabilities</b>				
a) contingent liabilities from rediscounted bills of exchange credited to borrowers	-			-
b) contingent liabilities from guaranties and indemnity agreements	<u>1,662,856</u>	1,662,856		<u>1,285,638</u> 1,285,638
<b>2. Other commitments</b>				
Irrevocable credit commitments		3,681,744		<u>3,607,434</u>

# WGZ BANK Profit and Loss Account

for the period from 1.1. to 31.12. 2005

EXPENSES					
	EUR '000	EUR '000	EUR '000	2004 EUR '000	
1. Interest paid			1,046,667		1,039,094
2. Commissions paid			88,254		75,505
3. General administrative expenses					
a) personnel expenses					
aa) wages and salaries	72,988			68,389	
ab) compulsory social security contributions and expenses for pensions and other employee benefits	24,872	97,860		21,794	90,183
including: <i>for pensions</i>	13,708			10,810	
b) other administrative expenses		72,556	170,416	73,373	163,556
4. Depreciation and write-downs on intangible and tangible fixed assets			6,917		9,008
5. Other operating expenses			811		1,841
6. Depreciation and write-downs on claims and certain securities and additions to provisions for possible loan losses			50,000		50,000
7. Allocation to the fund for general banking risks			65,602		-
8. Depreciation and write-downs on investments, shares in affiliated companies and securities treated as fixed assets			-		546
9. Charges for loss transfer			659		8,158
10. Extraordinary expenses			2,000		900
11. Taxes on income			25,250		15,255
12. Other taxes unless otherwise shown under item 5 above			9		11
13. Annual net profit			87,855		67,668
<b>Total expenses</b>			<b>1,544,440</b>		<b>1,431,542</b>

## I N C O M E

	EUR '000	EUR '000	2004 EUR '000	
<b>1. Interest income</b>				
a) from lending and money market transactions	925,255		911,081	
b) from fixed interest securities and government-inscribed debt	270,226	1,195,481	268,202	1,179,283
<b>2. Current income</b>				
a) from shares and other variable rate securities	11,048		13,331	
b) from investments and proprietors' capital holding at cooperatives	42,005		30,268	
c) from holdings in affiliated companies	3,499	56,552	7,297	50,896
<b>3. Income from profit-pooling and from partial or full profit-transfer agreements</b>		14,105		6,185
<b>4. Commissions received</b>		155,221		131,312
<b>5. Net income from financial operations</b>		47,132		46,573
<b>6. Income from write-ups to investments holdings in affiliated companies and securities treated as fixed assets</b>		1,549		-
<b>7. Other operating income</b>		8,798		12,246
<b>8. Extraordinary income</b>		65,602		5,047
<b>Total income</b>		<b>1,544,440</b>		<b>1,431,542</b>
<b>1. Annual net profit</b>		87,855		67,668
<b>2. Profit brought forward from the previous year</b>		33		43
		<b>87,888</b>		<b>67,711</b>
<b>3. Allocations to revenue reserves</b>				
a) to statutory reserves	-		18,000	
b) to reserves required by articles of association	25,000		-	
c) to other revenue reserves	-	25,000	18,000	36,000
<b>4. Distributable profit</b>		<b>62,888</b>		<b>31,711</b>

## I. FRAMEWORK FOR THE PREPARATION OF THE ANNUAL FINANCIAL STATEMENTS

The annual financial statements of WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank, Düsseldorf, (WGZ BANK) were prepared in accordance with the German Commercial Code (HGB) and the Accounting Ordinance for Banks and Financial Services Institutions (RechKredV).

At the same time, the annual financial statements meet the requirements of the German Stock Corporation Act (AktG) and of the articles of association of WGZ BANK.

Advantage has been taken of the option to provide information through the notes rather than the balance sheet.

## II. ACCOUNTING, VALUATION AND CURRENCY TRANSLATION METHODS

The principles of accounting, valuation and currency translation methods of the past have, in principle, been maintained. Following the publication of statement 11 Accounting for Software by Users (IDW RS HFA 11) by the Standard-Setting Experts Committee (HFA) of the German Institute of Certified Public Accountants (IDW), the standard software deployed within WGZ BANK is no longer reported under tangible fixed assets, but under the separate balance sheet item "intangible assets".

Investment expenses are offset against the corresponding income; equally, valuation income and expense from lending operations and securities held as part of the liquidity reserve are shown net, for the first time without their results from the currency translation.

The balance sheet has been drawn up accounting for the partial application of the year's result.

### Assets valued as fixed assets

Assets which are consistently used for the bank's operations have been valued in accordance with the regulations applicable for fixed assets.

Intangible and tangible assets have been stated at acquisition cost and, to the extent depreciable, depreciated in accordance with their probable useful economic lives. Depreciable movable tangible assets have been depreciated on a straight-line basis. Simplification arrangements, which are permissible for tax purposes, such as the immediate full writing-off of minor value assets in the year of purchase, have been applied. Depreciation on buildings is governed by the rates allowed by tax law.

The holdings in affiliated companies, the investments and the proprietors' capital holding at cooperatives have been stated at the lower of acquisition cost or any lower attributable value.

### Assets valued as current assets

Cash reserves, claims on banks and on customers, other claims and other assets have, in principle, been stated at nominal value. Differences between repayment amounts and nominal values have been deferred pro rata to the relative period and shown under accruals and deferrals. Note loans and registered bonds held in the trading portfolio have been stated at acquisition costs and valued at market prices or valuation prices calculated on the basis of current yield curves.

With respect to claims on banks and on customers, appropriate provision is made, by conservative standards, for all discernible individual risks and country risks through the creation of value adjustments. The latent credit risk is accounted for by general allowances based on the average actual loan losses. In addition, there exist taxed provisioning reserves according to Section 340 f of the German Commercial Code. Securities held in the trading portfolio and those included in the liquidity reserves have been stated at the lower of historical prices or market prices in accordance with the strict lower-of-cost-or-market principle.

### Liabilities

As a rule, liabilities are stated at the amount payable. Differences between nominal values and issue amounts have been deferred pro rata to the relative period and shown under accruals and deferrals.

Share bonds have been stated according to the nominal value principle, and the options contained therein have been valued separately. Certificates issued have been stated at issuing proceeds for the first time and valued at market values. Higher repayment expenses resulting from the valuation have been deferred.

### Provisions

Pension provisions have been made at their actuarial present value using a discount rate of 4.5 % for the first time, in order to account for the overall decline in the interest rate level. Valuation has been made on the basis of the updated actuarial tables "Richttafeln 2005 G" by Professor Klaus Heubeck. As a result of the application of the new actuarial tables, the reduction of the discounting rate from 6.0 % to 4.5 % has led to a one-off addition of EUR 5.5 m.

Other provisions have been made at adequate levels, taking all foreseeable or apprehensible risks and uncertain commitments into account.

### Off-balance sheet financial transactions

Interest rate swaps that are allocated to the general banking book are subject, together with on-balance-sheet financial operations, to a revaluation at market prices.

Off-balance sheet own account trading transactions have been stated at current market values, in the case of interest rate swaps adjusted for the current interest claims and liabilities accounted for by way of deferrals in the trading result. The determination of market values has been made at stock exchange closing prices for exchange-traded contracts, otherwise on the basis of net present values of the payment flows discounted with the current swap rates. The valuation of options has been carried out on the basis of variants of recognised option price models (basically Black-Scholes) in dependence of the underlying. The valuation of credit derivatives which are not reported under contingent liabilities is carried out by using credit spreads as an indicator of the default probability of the reference assets. The positive and negative revaluation results of the financial transactions of the trading portfolio structured into risk-specific books have been stated according to the respective portfolio. In view of the alignment with trading activities and risk control, the valuation results of all interest-induced derivative products have been stated, but separately by currencies. Positive residual net present values arrived at in this manner have not been accounted for; negative residual net present values have been accounted for by way of the creation of provisions.

---

### Currency translation

The currency translation of foreign exchange transactions is in accordance with Section 340 h of the German Commercial Code and with the statement BFA 3/1995. Assets denominated in foreign currency and treated as fixed assets have been translated into euros at the rate of exchange prevailing on the date of purchase. Foreign currency claims and foreign currency liabilities as well as spot deals not settled, have been translated at the reference rates fixed by the European Central Bank or at the over-the-counter rate pertaining on balance sheet date, while pending forward exchange contracts not settled have been translated at the forward exchange rate of exchange prevailing on the balance sheet date. The results arrived at by translating the balance-sheet items which have been hedged by pending forward exchange contracts have been neutralised by the creation of a net-value-adjustments item reflected under other assets or liabilities. The valuation of currency swaps which are not

used to hedge currency options has been made by splitting the forward rate into the spot rate and swap rate. Swap expenses and income have been deferred pro rata to the relevant period and in principle reported under the net income from financial operations. Other forward exchange transactions have been valued at the forward exchange rates prevailing at balance sheet date. Pending foreign exchange transactions have been valued using recognised standard option price models (basically Garman-Kohlhagen), taking into account premiums carried as assets or liabilities. For each currency, provision has been made for valuation losses from pending forward exchange contracts and forward exchange option contracts, after offsetting against valuation profit; residual valuation profits have not been accounted for. Holdings of foreign notes and coins have been stated at the buying rate of exchange.

## III. NOTES TO THE BALANCE SHEET - ASSETS -

	EUR '000	'04 EUR '000
<b>Claims on banks</b>		
according to residual terms:		
payable on demand	655,981	380,942
up to three months	4,430,404	4,045,183
longer than three months up to one year	1,718,591	1,179,637
longer than one year and up to five years	4,299,881	4,368,128
longer than five years	6,605,029	6,131,990
Total	17,709,886	16,105,880
of which:		
member banks	10,297,104	10,360,180
Deutsche Zentral-Genossenschaftsbank	99,871	46,594
affiliated companies	972,698	533,080
companies in which an interest is held	98,340	90,957
<b>Claims on customers</b>		
according to residual terms:		
up to three months	992,631	933,080
longer than three months up to one year	611,195	624,398
longer than one year and up to five years	1,875,445	2,020,199
longer than five years	1,272,262	1,493,361
of unspecified maturity	1,475,203	1,350,023
Total	6,226,736	6,421,061
of which:		
affiliated companies	144,592	136,982
companies in which an interest is held	60,278	56,458
<b>Bonds and other fixed interest securities</b>		
listed on the stock exchange	8,590,271	7,733,889
not listed on the stock exchange	887,329	1,205,464
Total	9,477,600	8,939,353
of which:		
securities due within one year	827,180	933,622
affiliated companies	207,286	243,504
companies in which an interest is held	6,278	26,542
securities sold		
in open market operations	-	-
securities sold within the framework of repo agreements	1,363,894	831,681
<b>Shares and other variable rate securities</b>		
listed on the stock exchange	146,111	99,283
not listed on the stock exchange	41,468	26,573
marketable on a stock exchange	187,579	125,856
<b>Investments and proprietors' capital holdings</b>		
of which:		
listed on the stock exchange	-	-
not listed on the stock exchange	3,381	3,381
marketable on a stock exchange	3,381	3,381

	EUR '000	'04 EUR '000
<b>Holdings in affiliated companies</b>		
of which:		
listed on the stock exchange	-	-
not listed on the stock exchange	-	26,400
marketable on a stock exchange	-	26,400
<b>Assets held on a trust basis</b>		
claims on banks	14,274	16,245
claims on customers	242	298
<b>Tangible fixed assets</b>		
of which:		
for the Bank's own use		
land and buildings	6,704	6,709
for the Bank's own use		
office fixtures, fittings and equipment	12,658	18,275
<b>Own shares</b>	21	-
As at balance sheet date, WGZ BANK's portfolio included 208 own registered shares with a total amount of EUR 20,800.00 of the equity capital. This corresponds to a share of 0.0034 percent of the equity capital. The shares were acquired on 20 September 2005 on the basis of the cash tender connected with the transformation of WGZ BANK into a stock corporation in accordance with Section 207 Transformation Act.		
<b>Other assets</b>		
Cheques, bonds due, interest and dividend coupons		
and items received for collection	18,431	5,666
premiums from interest-related option purchases	30,685	38,624
premiums from currency-related option purchases	86,563	51,068
premiums from share/index-related option purchases	11,652	22,452
premiums from other share option purchases	17,174	7,320
adjustments for currency translations	-	-
others (as of 2005 incl. currency swap deferrals)	79,855	44,918
Total	244,360	170,048
<b>Accruals and deferrals</b>		
of which:		
premiums on claims	10,779	12,713
discount received on liabilities	13,140	11,285
upfront payments interest-related derivatives	21,390	15,603
<b>Subordinated assets</b>		
included in:		
other claims on banks	12,715	11,012
of which:		
due to affiliated companies	-	-
claims on customers	19,038	38,603
bonds and other fixed income securities	136,986	130,368
shares and other variable rate securities	12,965	12,987
<b>Assets denominated in foreign currencies</b>		
equivalent of	2,608,170	2,197,767

## IV. NOTES TO THE BALANCE SHEET – LIABILITIES –

	EUR '000	'04 EUR '000
<b>Liabilities to banks</b>		
according to residual terms:		
payable on demand	4,972,438	5,340,736
up to three months	5,404,860	5,542,419
longer than three months up to one year	1,719,549	1,883,245
longer than one year and up to five years	4,210,234	3,991,529
longer than five years	6,607,079	6,569,449
Total	22,914,160	23,327,378
of which due to:		
member banks	8,784,581	9,989,712
Deutsche Zentral-Genossenschaftsbank	161,986	134,072
affiliated companies	135,862	99,183
companies in which an interest is held	361,302	492,618
<b>Liabilities to customers</b>		
according to residual terms:		
payable on demand	1,752,890	832,247
up to three months	1,694,700	1,937,399
longer than three months up to one year	405,471	112,402
longer than one year and up to five years	471,262	412,665
longer than five years	203,939	375,859
Total	4,528,262	3,670,572
of which due to:		
affiliated companies	19,920	15,878
companies in which an interest is held	10,220	7,666
<b>Securitised liabilities</b>		
a) bonds and notes issued	5,593,307	4,604,323
b) other securitised liabilities		
according to residual terms:		
up to three months	29,882	12,912
longer than three months up to one year	15,506	26,244
longer than one year and up to five years	-	-
longer than five years	-	-
Total	5,638,695	4,643,479
of which:		
bonds and notes in issue		
falling due in the subsequent year	1,284,469	1,374,711
affiliated companies	-	-
Details on the securitised liabilities due to companies in which an interest is held cannot be stated.		
<b>Liabilities on a trust basis</b>		
due to banks	14,516	16,543
due to customers	-	-

	EUR '000	'04 EUR '000
<b>Other liabilities</b>		
premiums from interest-related option purchases	57,702	51,857
premiums from currency-related option purchases	70,547	38,327
premiums from share/index-related option purchases	20,781	14,066
premiums from other option sales	11,971	3,759
payment obligations		
for security purchases	130,509	-
currency conversion adjustments	6,325	102
interest on profit-sharing certificates	27,803	31,190
other liabilities (as of 2005 incl. currency swap deferrals)	95,663	37,813
Total	421,301	177,114

**Accruals and deferrals**

of which:		
discount on claims	13,317	16,356
Upfront payments interest-related derivatives	45,719	2,978

<b>Subordinated liabilities</b>	330,549	343,331
of which due to:		
affiliated companies	10,226	10,226
companies in which an interest is held	-	-

expenses incurred in the financial year relating to subordinated loans	19,833	20,109
--	--------	--------

The subordinated liabilities at the end of the year under review consist of 47 registered note loans and 3 bearer bonds. In the year under review, no new subordinated liabilities were taken up. The individual subordinated loans taken up are each for less than 10 % of the aggregate amount of the subordinated liabilities. The subordinated creditors' claims will be met only after satisfying all other creditors' claims. Creditors' rights to give notice are excluded.

<b>Profit-sharing rights outstanding</b>	390,122	441,251
--	---------	---------

The profit-sharing rights outstanding at the end of the year under review consist of 22 registered participation certificates and 5 bearer participation certificates. In the year under review, no new profit-sharing rights capital was taken up.

	EUR '000	'04 EUR '000
<b>Capital and reserves</b>		
subscribed capital (share capital)		
as at: 01.01.2005	528,564	528,564
additions (capital increase of 08.12.2005)	76,036	–
as at: 31.12.2005	604,600	528,564
capital reserves		
as at: 01.01.2005	–	–
additions (capital increase of 08.12.2005)	212,900	–
as at: 31.12.2005	212,900	–
revenue reserves		
statutory reserves	354,000	354,000
of which: allocation from annual net profit	–	18,000
reserves for own shares	21	–
of which: transfers from other		
revenue reserves	21	–
reserves required by articles of association	25,000	–
of which: allocation from annual net profit	25,000	–
other revenue reserves	353,979 *)	354,000
of which: allocation from annual net profit	–	18,000
	733,000	708,000
distributable profit	62,888	31,711
of which: profit carried forward	33	43
<b>Total</b>	<b>1,613,388</b>	<b>1,268,275</b>

\*) before allocation of EUR 25.0 m from the annual net profit 2005

On 26 August 2005 WGZ BANK changed its legal form from a registered cooperative to a public limited company. At the date of the conversion, the equity capital of EUR 528,564,400.00 corresponded to the members' capital contributions as at 1 January 2005. The equity capital was divided into 5,285,644 registered shares each conveying a notional proportional entitlement in the equity capital of EUR 100.00 at the date of the conversion. These shares are entitled to dividend as of 1 January 2005.

Within the framework of a capital increase decided by the Managing Board on 6 September 2005 with the consent of the Supervisory Board of 9 September 2005 and entered in the Register of Companies on 8 December 2005 making partial use of the approved capital, 760,356 new registered shares each conveying a notional proportional entitlement in the equity capital of EUR 100.00 were issued at an issue price of EUR 380.00. The new shares are entitled to dividend as of 1 November 2005.

Of the cash contributions from the capital increase, EUR 76,035,600.00 was allocated to subscribed capital and EUR 212,899,680.00 to capital reserves. For a period of five years as of 26 August 2005, the approved capital will remain at EUR 53,964,400.00.

	EUR'000	'04 EUR '000
<b>Liabilities denominated in foreign currencies</b>		
equivalent of	2,691,889	2,043,026
<b>Assets pledged</b>		
<b>as security</b>		
relating to liabilities		
to banks:		
total ceded claims for		
liabilities in respect of		
earmarked funds	8,213,576	8,356,350
relating to liabilities		
to customers:		
total ceded claims for		
liabilities in respect of		
earmarked funds	3	19

A total of EUR 1,899 m was additionally deposited as security for open-market transactions, for stock exchange forward transactions and for collateral agreements within the framework of OTC trading transactions.

#### Other obligations

Irrevocable credit commitments		
to banks	1,793,192	1,774,373
Irrevocable credit commitments		
to customers	1,888,552	1,833,061



## V. NOTES ON THE PROFIT AND LOSS ACCOUNT

### Extraordinary expenses

The extraordinary expenses result basically from expenses in connection with the change of the legal form and with the events within the framework of the contribution of shares in WGZ BANK into WGZ Beteiligungs GmbH & Co. KG.

### Extraordinary income

The extraordinary income results from the contribution of holdings in WGZ-Bank Luxembourg S.A. in another company.

### Taxes on income

The tax charge against the result of ordinary business activity is EUR 24,739,000. The tax charge against the result of extraordinary business activity is EUR 511,000.

## VI. OTHER FINANCIAL COMMITMENTS AND LETTERS OF COMFORT

### Other financial commitments

WGZ BANK is a member of the protection scheme existing at the Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V., with a guarantee fund and guarantee Verbund. Within the framework of the guarantee Verbund, WGZ BANK has assumed a guarantee obligation equal to eight times the basic levy contribution to the guarantee fund. The BVR has been exempted from losses which would otherwise have to be borne out of its membership of the WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG and that institution's protection scheme. Other contingent liabilities not shown in the balance sheet are of minor importance for the assessment of the financial situation; they relate to balance setoff agreements, joint liabilities under registered securities, liability obligations under articles of association, as well as uncalled liabilities

ty obligations concerning shares in cooperatives.

### Letters of Comfort

With the exception of political risk and to the extent of its direct and indirect participation share, WGZ BANK will ensure that WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, WGZ-Bank Luxembourg S.A., WGZ-Bank Ireland plc and WGZ International Finance N.V. will be able to meet their obligations.

## VII. OFF-BALANCE SHEET FINANCIAL TRANSACTIONS

### Counterparty structure

	positive market values
	EUR '000
OECD central governments and stock exchanges	29,885
OECD banks	1,757,373
OECD financial services companies	21,184
Other companies, private persons	31,924
Non-OECD central governments	-
Non-OECD banks	8,842
Non-OECD financial services companies	-
Total	1,849,208

The positive market values represent the maximum default risk as at balance sheet date. They are calculated from the sum of all positive contract market values without offsetting any negative contract market values, without including securities and without applying credit-based weighting rates. The credit equivalents determined according to the supervisory regulations pursuant to Principle I, which are crucial for the default risk, amount to EUR 1,612,787,000 as at balance sheet date. Taking into account the credit risk weightings, this is less than 3 % of the entire risk-weighted assets.

The contracts listed in the following table have mainly been concluded to hedge against fluctuations in interest rates, exchange rates or other market prices in the framework of trading activities. In addition, some of the contracts were concluded to hedge against interest rate and exchange rate fluctuations resulting from the general banking business.

## Product structure and nominal volumes (incl. commission business)

	Nominal Amount by Residual Maturity				Market values	
	up to 1 year	1–5 years	over 5 years	total	negative	positive
	EUR '000				EUR '000	EUR '000
<b>Interest-related contracts</b>	<b>23,024,358</b>	<b>29,759,697</b>	<b>16,609,833</b>	<b>69,393,888</b>	<b>1,398,694</b>	<b>1,361,832</b>
of which accounted for by:						
OTC products						
FRAs	1,102,379	–	–	1,102,379	134	1
Interest rate swaps (same currency)	9,537,172	24,343,923	16,058,675	49,939,770	1,286,709	1,288,727
Interest rate options – purchases	2,454,349	1,702,141	125,577	4,282,067		53,817
Interest rate options – sales	2,060,708	2,717,517	425,581	5,203,806	89,406	
Other interest rate contracts	20,000	–	–	20,000	12	
Exchange-traded products						
Interest rate futures	7,549,750	996,116	–	8,545,866	7,213	4,067
Interest rate options – purchases	150,000	–	–	150,000		15,220
Interest rate options – sales	150,000	–	–	150,000	15,220	
<b>Currency-related contracts</b>	<b>53,966,682</b>	<b>258,315</b>	<b>4,672</b>	<b>54,229,669</b>	<b>413,715</b>	<b>426,419</b>
of which accounted for by:						
OTC products						
Currency futures	33,925,451	258,315	4,672	34,188,438	350,448	328,681
Currency options – purchases	9,038,609	–	–	9,038,609		97,738
Currency options – sales	11,002,622	–	–	11,002,622	63,267	
Other foreign exchange contracts	–	–	–	–		
Exchange-traded products						
Currency futures	–	–	–	–		
Currency options	–	–	–	–		
<b>Share/index-related contracts</b>	<b>2,925,378</b>	<b>245,503</b>	<b>–</b>	<b>3,170,881</b>	<b>44,080</b>	<b>41,441</b>
of which accounted for by:						
OTC products						
Share/index swaps	–	–	–	–		
Share/index options – purchases	4,404	126,206	–	130,610		16,740
Share/index options – sales	186,879	107,661	–	294,540	18,938	
other share/index contracts	–	–	–	–		
Exchange-traded products						
Share/index futures	1,207,317	–	–	1,207,317	9,931	9,996
Share/index options	1,526,778	11,636	–	1,538,414	15,211	14,705
<b>Other contracts</b>	<b>113,491</b>	<b>586,983</b>	<b>144,873</b>	<b>845,347</b>	<b>15,700</b>	<b>19,516</b>
of which accounted for by:						
OTC products						
Cross-currency swaps	24,491	236,291	61,873	322,655	7,185	7,781
Credit default swaps	89,000	350,692	83,000	522,692	8,515	11,735
Exchange-traded products	–	–	–	–		
<b>Total of all contracts</b>	<b>80,029,909</b>	<b>30,850,498</b>	<b>16,759,378</b>	<b>127,639,785</b>	<b>1,872,189</b>	<b>1,849,208</b>
of which accounted for by:						
OTC products	69,446,064	29,842,746	16,759,378	116,048,188	1,824,614	1,805,220
Exchange-traded products	10,583,845	1,007,752	–	11,591,597	47,575	43,988
Contingent risk arising from credit default swaps				<b>960,000</b>		

## VIII. DEVELOPMENT OF FIXED ASSETS

Intangible and tangible assets:	Intangible assets EUR '000	Land and buildings EUR '000	Office fixtures, fittings and equipment EUR '000
Historical and production cost	-	7,198	79,554
Additions	-	-	3,669
Disposals	-	-	10,212
Accumulated write-downs	-	494	58,021
Transfers	2,332	-	- 2,332
Net book value as at balance sheet date	2,332	6,704	12,658
Write-downs in the financial year	-	5	6,912
<b>Financial assets:</b>		Securities held as fixed assets EUR '000	Investments and proprietors' capital holding, holdings in affiliated companies EUR '000
Historical and production cost		-	2,012,907
Changes total		-	107,324
Net book value as at balance sheet date		-	2,120,231

## IX. LIST OF HOLDINGS

Name and location	Holding in %	Net worth in previous financial year		
		EUR '000	EUR '000	
<b>a) Affiliates</b>				
1. WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, Münster	*1) *2)	90.19	292,560	12,916
2. WGZ-Bank Luxembourg S.A., Luxembourg	*1) *2)	80.19	51,219	5,000
3. WGZ-Bank Ireland plc, Dublin	*1)	100.00	179,508	9,308
4. WGZ International Finance N.V., Amsterdam		100.00	7,507	54
5. WGZ Initiativkapital GmbH, Düsseldorf		100.00	17,129	*3)
6. WGZ Immobilien + Treuhand GmbH & Co. Westdeutsche Genossenschafts- Immobilien- und Treuhand KG, Münster		100.00	358	*3)
7. WGZ Immobilien + Treuhand GmbH, Münster		100.00	160	*3)
8. WGZ Immobilien + Management GmbH, Münster		100.00	34	*3)
9. WGZ Corporate Finance Beratung GmbH, Düsseldorf		80.00	674	- 76
10. GENO-Beteiligungsgesellschaft mbH & Co. Verwaltungs-KG, Düsseldorf		100.00	63,911	*3)
11. Wegeno Verwaltungsgesellschaft mbH, Düsseldorf		100.00	426,334	3,894
12. Phoenix Beteiligungsgesellschaft mbH, Düsseldorf		100.00	8,526	99
13. VR-Immobilien SAGA GmbH, Frankfurt/M.	*4)	1.00	378,718	1
<b>b) Other companies</b>				
1. DZ Holding AG & Co. KG, Frankfurt/M.	*5)	35.69	933,106	10,044
2. R+v Versicherung AG, Wiesbaden	*1)	15.66	1,463,274	62,240
3. Union Asset Management Holding AG, Frankfurt/M.	*1)	17.72	283,509	88,268
4. DIFA Deutsche Immobilien Fonds AG, Hamburg	*1)	5.50	114,259	41,302
5. VR-LEASING AG, Eschborn	*1)	16.54	220,927	10,357
6. DZ PRIVATBANK (Schweiz) AG, Zurich	*1)	13.34	130,160	10,685
7. dwpbank Deutsche WertpapierService Bank AG, Frankfurt/M.	*1)	10.00	150,077	- 3,602
8. GVA GENO-Vermögens-Anlage-Gesellschaft mbH, Frankfurt/M.		33.33	8,668	6,665
9. Service-Direkt Telemarketing Verwaltungsgesellschaft mbH, Stuttgart		42.83	3,615	304
10. CardProcess GmbH, Karlsruhe	*1)	10.10	11,096	- 2,924
11. GLADBACHER BANK Aktiengesellschaft von 1922, Mönchengladbach	*1)	17.53	24,379	2,148
12. HEINSBERGER VOLKSBANK Aktiengesellschaft, Heinsberg		25.00	10,585	393
13. DEGECALIX Grundstücksverwaltungsgesellschaft mbH & Co. Immobilien-Vermietungs KG, Eschborn		95.00	- 29	- 49
14. DEGECALVA Grundstücksverwaltungsgesellschaft mbH & Co. Immobilien-Vermietungs KG, Eschborn		100.00	- 589	52
15. Treuhand- und Finanzierungsgesellschaft für Wohnungs- und Bauwirtschaft mbH – Treufinanz –, Düsseldorf		33.14	3,905	- 15
16. GENO-Beteiligungsgesellschaft mbH, Düsseldorf		33.33	955	17
17. VR-BankenService Verwaltungs GmbH, Schloß Holte-Stukenbrock		25.00	*6)	*6)

\*1) Holdings in larger corporations in excess of 5 % of voting rights

\*2) directly and indirectly via Wegeno Verwaltungsgesellschaft mbH

\*3) Result transferred to WGZ BANK

\*4) WGZ BANK's voting rights amount to 51.00% (concerning 12.08% stake in Bausparkasse Schwäbisch Hall AG)

\*5) The company holds a 6.64 % stake in DZ BANK AG for WGZ BANK

\*6) The foundation of the company was in 2005

## X . O T H E R I N F O R M A T I O N

### Information according to Section 20 Stock Corporation Act (AktG)

In a letter of 05.10.2005, WGZ Beteiligungs GmbH & Co. KG, Düsseldorf, gave the information in accordance with Section 20 para. 4 AktG that it directly owns a majority interest in WGZ BANK.

### Auditor

Deutscher Genossenschafts- und Raiffeisenverband e.V., Berlin, Pariser Platz 3

	EUR '000
Expenses charged for the audit of the financial statements in the financial year	879
Other certification or assessment services	65
Tax consulting services	-
Other services	-

### Members of the Supervisory Board and the Managing Board

#### Supervisory Board:

Dieter Philipp – Chairman –	President of the Handwerkskammer Aachen
Gerhard Kötter – Deputy Chairman –	Bank manager (retired)
Heinz Eckardt	Bank employee WGZ BANK (until 10.08.2005)
Klaus Gläser	Full-time Member of the Board Volksbank Oberberg
Ludger Hünteler	Bank employee WGZ BANK
Manfred Jorris	Bank employee WGZ BANK
Bernhard Kaiser	Full-time Member of the Board Volksbank RheinAhrEifel
Hannelore Kurre	Bank employee WGZ BANK (as of 10.08.2005)
Hans-Dieter Michalski	Full-time Member of the Board Dortmunder Volksbank
Franz-Josef Möllers	President of Westfälisch-Lippischer Landwirtschaftsverband

#### Managing Board:

Werner Böhnke – Chairman –	– Full-time Member of the Board
Michael Fraedrich	– Full-time Member of the Board
Karl-Heinz Moll	– Full-time Member of the Board
Hans Pfeifer	– Full-time Member of the Board
Thomas Ullrich	– Full-time Member of the Board
Hans-Bernd Wolberg	– Full-time Member of the Board

### Mandates on statutory Supervisory Boards of Large Corporations

#### Managing Board of WGZ BANK

##### Werner Böhnke

##### Group companies:

WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, Münster – Deputy Chairman of the Supervisory Board

##### Other large corporations:

DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt/M. – Member of the Supervisory Board

Bausparkasse Schwäbisch Hall AG, Schwäbisch Hall – Member of the Supervisory Board

##### Michael Fraedrich

##### Group companies:

WGZ-Bank Luxembourg S.A., Luxembourg – Deputy Chairman of the Administrative Board

WGZ-Bank Ireland plc, Dublin – Member of the Administrative Board

##### Other large corporations:

DIFA Deutsche Immobilien Fonds AG, Hamburg – Deputy Chairman of the Supervisory Board

VR-LEASING AG, Eschborn – Deputy Chairman of the Supervisory Board

dwpbank Deutsche WertpapierService Bank AG, Frankfurt/M. – Member of the Supervisory Board

BAG Bankaktiengesellschaft, Hamm – Member of the Supervisory Board

Zentrum Mikroelektronik Dresden AG, Dresden – Member of the Supervisory Board

Karl-Heinz Moll

Group companies:

WGZ-Bank Ireland plc, Dublin – Chairman of the Administrative Board

Other large corporations:

Union Asset Management Holding AG, Frankfurt/M. – Deputy Chairman of the Supervisory Board

DZ PRIVATBANK (Schweiz) AG, Zurich – Vice President of the Administrative Board

dwpbank Deutsche WertpapierService Bank AG, Frankfurt/M. – Member of the Supervisory Board

R+V Versicherung AG, Wiesbaden – Member of the Supervisory Board

GLADBACHER BANK Aktiengesellschaft von 1922, Mönchengladbach – Member of the Supervisory Board

Hans Pfeifer

Group companies:

WGZ-Bank Luxembourg S.A., Luxembourg – Chairman of the Administrative Board

Thomas Ullrich

Group companies:

WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, Münster – Member of the Supervisory Board

Employees of WGZ BANK

Rolf Hermes

Group companies:

WGZ-Bank Ireland plc, Dublin – Member of the Administrative Board

**Total Emoluments of the Board Members**

The statement of the total emoluments of the Managing Board is omitted pursuant to Section 286 para. 4 of the German Commercial Code. The Supervisory Board received EUR 100,000 and the Advisory Board EUR 162,000 in compensation and attendance fees. EUR 1,760,000 was paid to retired members of the Managing Board or their surviving dependants; the pension provisions of EUR 15,138,000 for this group of persons cover all commitments.

**Amounts due from Board Members** EUR '000

Supervisory Board	2
Advisory Board	235
Managing Board	-

**Average number of employees**

	female	male	total
Düsseldorf	340	631	971
Koblenz	5	11	16
Münster	18	57	75
	363	699	1,062
Apprentices and trainees	19	22	41

Düsseldorf, March 21, 2006

WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank

Böhnke    Fraedrich    Moll    Pfeifer    Ullrich    Wolberg

# Auditors' Certificate

Pursuant to the final result of our audit in accordance with Section 340 k of the German Commercial Code, we issued the following unqualified certificate of confirmation on the financial statements as at 31 December 2005 and on the Management Report for the Financial Year 2005 of the public limited company under the date of 20 April 2006:

"We have audited the financial statements - consisting of balance sheet, profit and loss account as well as appendix - and the accounts of WGZ Bank AG Westdeutsche Genossenschafts-Zentralbank, Düsseldorf, as well as its Management Report for the business year from January 1st to December 31st 2005. The accounting records and the preparation of the annual financial statements in accordance with the German Commercial Code and the supplementary rules contained in the Articles of Association are the responsibility of the company's legal representatives. Our responsibility is to express an opinion based on our audit on these financial statements, the accounts and the Management Report.

We have conducted our audit of the annual financial statements in accordance with Sections 340 k and 317 of the German Commercial Code and the auditing standards of the "Institut der Wirtschaftsprüfer" (IDW), according to which the audit is to be planned and conducted in such a way that any

misstatements or infringements of generally accepted accounting practice that exert a material influence on the view conveyed of the net worth and financial and earnings position of the bank by the financial statements and by the Management Report on the financial earnings position of the company may be ascertained with reasonable certainty. When planning our audit activities we take due account of the company's business activities and its business and legal environment as well as of expectations of possible errors. Within the framework of our audit, the efficacy of the internal control system as well as evidence for the information provided by the accounts, the annual financial statements and the Management Report is ascertained primarily on the basis of sample tests. The audit encompasses an assessment of the accounting and consolidation principles used and the significant estimates made by the Managing Board as well as an appraisal of the overall presentation of the annual financial statements and of the Management Report. We are of the opinion that our audit provides an adequate basis for our assessment.

Our audit revealed no objections.

According to our judgement on the basis of the knowledge gained from the audit, the annual financial statements are in compliance with the statutory requirements and the

supplementary rules of the Articles of Association and convey a true and fair view of the net worth, financial and earnings situation of the company in accordance with accepted accounting principles. The Management Report is in accordance with the annual financial statements, conveys a suitable presentation of the situation of the company as a whole and adequately presents the chances and risks of future development."

Berlin, April 20, 2006

DEUTSCHER  
GENOSSENSCHAFTS- AND RAIFFEISENVER-  
BAND E.V.

(Prof. Dr. Leuschner)  
Auditor

(p.p. Berghaus)  
Auditor



**WGZ BANK Consolidated  
Annual Financial Statements  
2005**



**VERBUNDUNG  
WGZ  
Die Init**

as at 31.12. 2005

A S S E T S				
	EUR '000	EUR '000	EUR '000	2004 EUR '000
<b>1. Cash reserves</b>				
a) cash on hand		1,971		2,295
b) balances with central banks		224,386	226,357	242,780
including:				
with Deutsche Bundesbank	172,031			216,073
<b>2. Debt issued by public-sector borrowers and bills of exchange rediscountable at central banks</b>				
a) Treasury bills and Treasury discount notes, as well as similar debt issues by public-sector borrowers		-		-
including:				
rediscountable at Deutsche Bundesbank	-		-	
b) Bills of exchange		24,526	24,526	27,737
including:				
rediscountable at Deutsche Bundesbank	24,526			27,737
<b>3. Claims on banks</b>				
a) payable on demand		621,217		420,345
b) other claims		24,120,524	24,741,741	21,807,459
including:				
on member banks	11,699,311			11,941,429
mortgage loans	45,302			47,014
public-sector loans	5,158,851			3,920,398
<b>4. Claims on customers</b>			23,247,356	21,692,640
including:				
mortgage loans	7,054,735			6,667,647
public-sector loans	11,134,120			9,867,858
secured by mortgages on real estate	1,293,831			1,377,464
<b>5. Bonds and other fixed interest securities</b>				
a) money market papers				
aa) issued by public-sector issuers	391			-
including: eligible as collateral for Deutsche Bundesbank advances	391			-
ab) issued by other issuers	5,654	6,045		25,887
including: eligible as collateral for Deutsche Bundesbank advances	5,038			10,893
b) bonds and notes				
ba) issued by public-sector issuers	9,251,965			7,518,977
including: eligible as collateral for Deutsche Bundesbank advances	8,839,577			7,204,799
bb) issued by other issuers	12,782,569	22,034,534		11,368,324
including: eligible as collateral for Deutsche Bundesbank advances	9,466,209			8,214,259
c) own bonds and notes		467,861	22,508,440	424,050
nominal amount	454,439			417,132
carried forward:			70,748,420	63,530,494

## LIABILITIES

	EUR '000	EUR '000	EUR '000	2004 EUR '000	
<b>1. Liabilities to banks</b>					
a) payable on demand		5,225,807		5,415,312	
b) with original periods or periods of notice		26,048,725	<b>31,274,532</b>	25,425,471	30,840,783
<i>including:</i>					
<i>to member banks</i>	9,357,082			10,505,073	
<i>negotiated registered mortgage bonds</i>	491,346			460,073	
<i>negotiated registered public-sector bonds</i>	1,636,943			916,888	
<b>2. Liabilities to customers</b>					
a) saving deposits		-		-	
b) other liabilities					
ba) payable on demand	2,174,783			1,111,323	
bb) with original periods or periods of notice	11,035,715	13,210,498	<b>13,210,498</b>	9,228,586	10,339,909
<i>including:</i>					
<i>negotiated registered mortgage bonds</i>	2,059,469			2,088,700	
<i>negotiated registered public-sector bonds</i>	4,739,909			3,260,184	
<b>3. Securitised liabilities</b>					
a) bonds and notes issued		25,270,790		21,733,112	
<i>including:</i>					
<i>mortgage bonds</i>	3,465,537			3,285,475	
<i>public-sector bonds</i>	15,121,083			12,595,925	
b) other securitised liabilities		45,388	<b>25,316,178</b>	39,156	21,772,268
<i>including:</i>					
<i>money-market papers</i>	45,388			39,156	
<i>own acceptances and promissory notes outstanding</i>	-			-	
<b>4. Liabilities on a trust basis</b>			<b>38,340</b>		43,886
<i>including:</i>					
<i>loans at third-party risk</i>	38,340			43,886	
<b>5. Other liabilities</b>			<b>445,251</b>		202,258
<b>6. Accruals and deferrals</b>			<b>132,267</b>		108,135
<b>7. Provisions</b>					
a) provisions for pensions and similar commitments		91,014		81,528	
b) provisions for taxation		42,292		37,102	
c) other provisions		143,450	<b>276,756</b>	122,137	240,767
<b>8. Subordinated liabilities</b>			<b>465,286</b>		475,963
<b>9. Profit-sharing rights outstanding</b>			<b>459,574</b>		526,042
<i>including:</i>					
<i>maturing in less than two years</i>	81,807			107,371	
<b>10. Fund for general banking risks</b>			<b>211,900</b>		211,900
carried forward:			<b>71,830,582</b>		64,761,911

as at 31.12. 2005

## A S S E T S

	EUR '000	EUR '000	EUR '000	2004 EUR '000
brought forward			70,748,420	63,530,494
<b>6. Shares and other variable rate securities</b>			<b>522,735</b>	<b>496,878</b>
<b>7. Investments and proprietors' capital holding</b>				
a) investments in associated companies		689		668
<i>including:</i>				
<i>in banks</i>	-			-
<i>in financial services companies</i>	-			-
b) other investments		1,410,551		1,339,587
<i>including:</i>				
<i>in banks</i>	551,605			510,155
<i>in financial services companies</i>	-			-
c) proprietors' capital holding at cooperatives		1,651	1,412,891	1,651
<i>including:</i>				
<i>at credit cooperatives</i>	280			280
<i>in financial services companies</i>	-			-
<b>8. Holdings in affiliated companies</b>			<b>25</b>	<b>65</b>
<i>including:</i>				
<i>in banks</i>	-			-
<i>in financial services companies</i>	-			-
<b>9. Assets held on a trust basis</b>			<b>38,340</b>	<b>43,886</b>
<i>including:</i>				
<i>loans held at third-party risk</i>	38,340			43,886
<b>10. Intangible assets</b>			<b>2,563</b>	-
<b>11. Tangible fixed assets</b>			<b>92,386</b>	<b>100,865</b>
<b>12. Own shares</b>			<b>21</b>	-
<i>nominal amount</i>	21			-
<b>13. Other assets</b>			<b>434,865</b>	<b>334,778</b>
<b>14. Accruals and deferrals</b>			<b>331,438</b>	<b>282,993</b>
<b>Total assets</b>			<b>73,583,684</b>	<b>66,131,865</b>

**LIABILITIES**

	EUR '000	EUR '000	EUR '000	2004 EUR '000	
brought forward			<b>71,830,582</b>		64,761,911
<b>11. Capital and reserves</b>					
a) subscribed capital		604,600		528,564	
b) capital reserves		212,900		-	
c) revenue reserves					
ca) statutory reserves	354,030			354,030	
cb) reserves for own shares	21			-	
cc) reserves required by articles of association	25,000			-	
cd) other revenue reserves	<u>383,456</u>	762,507		<u>374,409</u>	728,439
d) minority interest		41,474			37,989
e) consolidated profit		<u>131,621</u>	<b>1,753,102</b>	<u>74,962</u>	1,369,954
<b>Total liabilities</b>			<b><u>73,583,684</u></b>		<u>66,131,865</u>
<b>1. Contingent liabilities</b>					
a) contingent liabilities from rediscounted bills of exchange credited to borrowers		-		-	
b) contingent liabilities from guarantees and indemnity agreements	<u>1,644,536</u>	1,644,536		<u>1,221,177</u>	1,221,177
<b>2. Other commitments</b>					
Irrevocable credit commitments		4,529,809			3,954,837

# WGZ BANK Consolidated Profit and Loss Account

for the period from 1.1. to 31.12. 2005

## EXPENSES

	EUR '000	EUR '000	EUR '000	2004 EUR '000
<b>1. Interest paid</b>			<b>2,350,082</b>	<b>2,191,653</b>
<b>2. Commissions paid</b>			<b>103,475</b>	<b>89,510</b>
<b>3. General administrative expenses</b>				
a) personnel expenses				
aa) wages and salaries	94,059			87,718
ab) compulsory social security contributions and expenses for pensions and other employee benefits	31,259	125,318		26,185
including: for pensions	16,842			12,172
b) other administrative expenses		86,452	211,770	87,151
				201,054
<b>4. Depreciation and write-downs on intangible and tangible fixed assets</b>			<b>11,185</b>	<b>13,714</b>
<b>5. Other operating expenses</b>			<b>43,585</b>	<b>30,325</b>
<b>6. Depreciation and write-downs on claims and certain securities and additions to provisions for possible loan losses</b>			<b>65,729</b>	<b>72,565</b>
<b>7. Allocation to the fund for general banking risks</b>			<b>-</b>	<b>3,900</b>
<b>8. Depreciation and write-downs on investments, shares in affiliated companies and securities treated as fixed assets</b>			<b>-</b>	<b>785</b>
<b>9. Extraordinary expenses</b>			<b>2,001</b>	<b>900</b>
<b>10. Taxes on income</b>			<b>44,709</b>	<b>26,686</b>
<b>11. Other taxes unless otherwise shown under Item 5 above</b>			<b>543</b>	<b>540</b>
<b>12. Annual net profit</b>			<b>125,090</b>	<b>90,391</b>
<b>Total expenses</b>			<b>2,958,169</b>	<b>2,722,023</b>

## I N C O M E

	EUR '000	EUR '000	2004 EUR '000	
<b>1. Interest income</b>				
a) from lending and money market transactions	1,955,425		1,854,814	
b) from fixed interest securities and Government inscribed debt	657,687	<b>2,613,112</b>	583,168	2,437,982
<b>2. Current income</b>				
a) from shares and other variable rate securities	11,035		13,346	
b) from investments and proprietors' capital holding at cooperatives	48,080		33,841	
c) from holdings in associated companies	2,222		3,928	
d) from shares in affiliated companies	-	<b>61,337</b>	-	51,115
<b>3. Commissions received</b>		<b>171,141</b>		143,575
<b>4. Net income from financial operations</b>		<b>51,712</b>		51,563
<b>5. Income from write-ups to investments, holdings in affiliated companies and securities treated as fixed assets</b>		<b>7,495</b>		-
<b>6. Other operating income</b>		<b>53,372</b>		35,896
<b>7. Extraordinary income</b>		-		1,892
<b>Total income</b>		<b>2,958,169</b>		<b>2,722,023</b>
<b>1. Annual net profit</b>		<b>125,090</b>		90,391
<b>2. Profit brought forward from the previous year</b>		<b>34,954</b>		22,726
		<b>160,044</b>		113,117
<b>3. Allocations to revenue reserves</b>				
a) to statutory reserves	-		18,000	
b) to reserves required by articles of association	25,000		-	
c) to other revenue reserves	-	<b>25,000</b>	18,000	36,000
<b>4. Profit attributable to minority interests</b>		<b>3,423</b>		2,155
<b>5. Consolidated profit</b>		<b>131,621</b>		<b>74,962</b>

## Statements

as at 31.12. 2005

**I. FRAMEWORK FOR THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND COMPANIES INCLUDED IN THE CONSOLIDATION**

The consolidated financial statements of WGZ BANK were prepared in accordance with the German Commercial Code (HGB) and the Accounting Ordinance for Banks and Financial Services Institutions (RechKredV). At the same time, the consolidated financial statements meet the requirements of the German Stock Corporation Act (AktG) and of the articles of association of WGZ BANK. Apart from WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank, the following companies have been included in the consolidated annual statement of accounts:

		Holdings in %
WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, Münster	*1)	90.19
WGZ-Bank Luxembourg S.A., Luxembourg	*1)	80.19
WGZ-Bank Ireland plc, Dublin		100.00
WGZ International Finance N.V., Amsterdam		100.00
WGZ Initiativkapital GmbH, Düsseldorf		100.00
WGZ Immobilien + Treuhand GmbH & Co. Westdeutsche Genossenschafts- Immobilien- und Treuhand KG, Münster		100.00
WGZ Immobilien + Treuhand GmbH, Münster		100.00
WGZ Immobilien + Management GmbH, Münster		100.00
WGZ Corporate Finance Beratung GmbH, Düsseldorf		80.00
GENO-Beteiligungsgesellschaft mbH & Co. Verwaltungs-KG, Düsseldorf		100.00
Wegeno Verwaltungsgesellschaft mbH, Düsseldorf		100.00
Phoenix Beteiligungsgesellschaft mbH, Düsseldorf		100.00
VR-Immobilien SAGA GmbH, Frankfurt/M.	*2)	1.00
Company not included due to minor importance according to Section 296 para. 2 of the German Commercial Code:		
WGZ Initiativkapital Industriebeteiligungs GmbH		100.00

\*1) directly and indirectly via Wegeno Verwaltungsgesellschaft mbH

\*2) WGZ BANK's voting rights amount to 51.00 % (concerning 12.08 % stake in Bausparkasse Schwäbisch Hall AG)

**II. PRINCIPLES OF CONSOLIDATION**

The capital consolidation was affected using the book value method at the time of the first consolidation of subsidiaries. Amounts due, liabilities, deferred items, contingent liabilities, inter-company results, as well as expenses and income items between the consolidated companies have been eliminated. A tax deferral has been made, to the extent required, in respect of consolidation measures affecting earnings using the tax rates specific to the countries concerned.



### III. ACCOUNTING, VALUATION AND CURRENCY TRANSLATION METHODS

The financial statements of the subsidiaries have been included in accordance with the accounting and valuation regulations applicable to WGZ BANK. Following the publication of statement 11 Accounting for Software by Users (IDW RS HFA 11) by the Standard-Setting Experts Committee (HFA) of the German Institute of Certified Public Accountants (IDW), intangible assets are for the first time reported under the separate balance sheet item "intangible assets". Investment expenses are offset against the corresponding income; equally, valuation income and expense from lending operations and securities held as part of the liquidity reserve are shown net, for the first time without their results from the currency translation.

The consolidated balance sheet has been drawn up by accounting for the partial application of the year's result.

#### Assets valued as fixed assets

Assets that are consistently used for the Bank's operations have been valued in accordance with the regulations applicable to fixed assets.

Intangible and tangible assets have been stated at the acquisition cost and, to the extent depreciable, depreciated in accordance with their probable useful economic lives. Depreciable movable tangible assets have been depreciated on a straight-line basis. Simplification arrangements that are permissible for tax purposes, such as the immediate full writing-off of minor assets in the year of purchase, have been applied. Depreciation on buildings is governed by the rates allowed by tax law.

The valuation and reporting of holdings in associated companies are stated at book value as at the time of the initial application in accordance with the equity method. The holdings in non-consolidated affiliated companies, the investments and the proprietors' capital holding at cooperatives have been stated at historical cost or any lower attributable value.

Securities stated as fixed assets have been reported at the lower of historical prices or market prices in accordance with the strict lower-of-cost-or-market principle.

#### Assets valued as current assets

Cash reserves, claims on banks and on customers, other claims and other assets have, in principle, been stated at historical cost or at nominal value. Differences between repayment amounts and nominal values have been deferred pro rata to the relative period and shown under accruals and deferrals. Note loans and registered bonds held in the trading portfolio have been stated at acquisition costs and valued at market prices or valuation prices calculated on the basis of current yield curves.

With respect to claims on banks and on customers, appropriate provision is made, by conservative standards, for all discernible individual risks and country risks through the creation of value adjustments. The latent credit risk is accounted for by general allowances based on the average actual loan losses. In addition, there exist taxed provisioning reserves according to Section 340 f of the German Commercial Code.

Securities held in the trading portfolio and those included in the liquidity reserves have been stated, with the exception of sub-holdings at the mortgage bank subsidiaries, strictly at historical cost or the lower of market value calculated at the price quoted on the stock exchange. Securities issued by public-sector issuers and public-sector banks which are acquired by the mortgage bank subsidiary and which are stated as ordinary cover assets in the cover statement, are reported at continued acquisition costs. The differences between historical costs and the amounts payable will be included in the interest income over remaining terms.

#### Liabilities

As a rule, liabilities are stated at the amount repayable. Differences between nominal values and issue amounts have been deferred pro rata to the relative period and shown under accruals and deferrals.

Share bonds have been stated according to the nominal value principle, and the options contained therein have been valued separately. Certificates issued have been stated at issuing proceeds for the first time and valued at market values. Higher repayment expenses resulting from the valuation have been deferred.

#### Provisions

Pension provisions have been made at their actuarial present value. In order to account for the overall decline in the interest rate level, the discounting rate was reduced from 6.0 % to 4.5 % at the corresponding group companies. Valuation has been made on the basis of the updated actuarial tables "Richttafeln 2005 G" by Professor Klaus Heubeck. The adjustment of the valuation parameters has led to a one-off addition of EUR 7.3 m.

The other provisions have been made at adequate levels, taking account of all foreseeable or apprehensible risks and uncertain commitments.

#### Off-balance sheet financial transactions

Interest rate swaps that are allocated to the general banking book are subject, together with on-balance-sheet financial operations, to a revaluation at market prices.

Off-balance sheet own account trading transactions have been stated at current market values, in the case of interest rate swaps adjusted for the current interest claims and liabilities accounted for by way of deferrals in the trading result. The determination of market values has been made at stock exchange closing prices for exchange-traded contracts, otherwise on the basis of net present values of the payment flows discounted with the current swap rates. The valuation of options has been carried out on the basis of variants of recognised option price models (basically Black-Scholes) in dependence of the underlying. The valuation of credit derivatives which are not reported under contingent liabilities is carried out by using credit spreads as an indicator of the default probability of the reference assets. The positive and negative revaluation results of the financial transactions of the trading portfolio structured into risk-specific books have been stated according to the respective portfolio. In view of the alignment with trading activities and risk control, the valuation results of all interest-induced derivative products have been stated, but separated by currencies. Positive residual net present values arrived at in this manner have not been accounted for; negative residual net present values have been accounted for by way of the creation of provisions.

## Currency translation

The currency translation of foreign exchange transactions is in accordance with Section 340 h of the German Commercial Code and with the statement BFA 3/1995. Assets denominated in foreign currency and treated as fixed assets have been translated into euros at the rate of exchange prevailing on the date of purchase. Foreign currency claims and foreign currency liabilities as well as spot deals not settled have been translated at the reference rates fixed by the European Central Bank or at the over-the-counter rate pertaining on balance sheet date, while pending forward exchange contracts not settled have been translated at the forward exchange rate of exchange prevailing on balance sheet date. The results arrived at by translating the balance-sheet items which have been hedged by pending forward exchange contracts have been neutralised by the creation of a net-value-adjustments item reflected under other assets or liabilities. The valuation of currency swaps which are not used to hedge currency options has been made by splitting the forward rate into

the spot rate and swap rate. Swap expenses and income have been deferred pro rata to the relevant period and in principle reported under the net income from financial operations.

Other forward exchange transactions have been valued at the forward exchange rates prevailing at balance sheet date. Pending foreign transactions have been valued using recognised standard option price models (basically Garman-Kohlhagen), taking into account premiums carried as assets or liabilities. For each currency, provision has been made for valuation losses from pending forward exchange contracts and forward exchange option contracts, after offsetting against valuation profit; residual valuation profits have not been accounted for. Holdings of foreign notes and coins have been stated at the buying rate of exchange prevailing at balance sheet date.

## IV. NOTES TO THE BALANCE SHEET – ASSETS –

	EUR '000	'04	EUR '000
<b>Claims on banks</b>			
according to residual terms:			
payable on demand	621,217		420,345
up to three months	5,300,471		4,948,040
longer than three months up to one year	2,669,041		1,986,513
longer than one year and up to five years	7,718,102		7,357,808
longer than five years	8,432,910		7,515,098
Total	24,741,741		22,227,804
of which:			
member banks	11,699,311		11,941,429
Deutsche Zentral-Genossenschaftsbank	120,933		60,380
companies in which an interest is held	98,340		90,957
<b>Claims on customers</b>			
according to residual terms:			
up to three months	2,053,547		2,014,545
longer than three months up to one year	1,615,662		1,465,256
longer than one year and up to five years	6,851,227		6,545,584
longer than five years	11,340,655		10,317,293
unspecified maturity	1,386,265		1,349,962
Total	23,247,356		21,692,640
of which:			
companies in which an interest is held	65,416		61,595
<b>Bonds and other fixed interest securities</b>			
listed on the stock exchange	21,367,617		17,948,678
not listed on the stock exchange	1,140,823		1,388,560
Total	22,508,440		19,337,238
of which:			
securities due within one year	2,629,862		2,659,006
companies in which an interest is held	6,278		26,542
securities sold in			
open market operations	1,808,151		872,967
securities sold within the framework of repo agreements	1,398,389		835,724
<b>Shares and other variable rate securities</b>			
listed on the stock exchange	147,534		105,821
not listed on the stock exchange	56,315		37,620
marketable on a stock exchange	203,849		143,441
<b>Investments and capital holding</b>			
of which:			
listed on the stock exchange	–		–
not listed on the stock exchange	3,381		3,447
marketable on a stock exchange	3,381		3,447
<b>Holdings in affiliated companies</b>			
of which:			
listed on the stock exchange	–		–
not listed on the stock exchange	–		–
marketable on a stock exchange	–		–

	EUR '000	'04	EUR '000
<b>Assets held on a trust basis</b>			
claims on banks	14,274		16,245
claims on customers	24,066		27,641
<b>Fixed assets</b>			
of which:			
for the Bank's own use			
land and buildings	71,572		79,048
for the Bank's own use			
office furniture and equipment	15,599		21,817
<b>Own shares</b>	21		–
As at balance sheet date, WGZ BANK's portfolio included 208 own registered shares with a total amount of EUR 20,800.00 of the equity capital. This corresponds to a share of 0.0034 percent of the equity capital. The shares were acquired on 20 September 2005 on the basis of the cash tender connected with the transformation of WGZ BANK into a stock corporation in accordance with Section 207 Transformation Act.			
<b>Other assets</b>			
cheques, bonds due, interest and dividend coupons and items received			
for collection	18,635		6,108
premiums from interest-related option purchases	27,883		38,739
premiums from currency-related option purchases	86,563		51,068
premiums from share/index-related option purchases	11,652		22,452
Premiums from other option purchases	17,174		7,320
adjustments for currency translations	3,773		11,380
tax deferrals in respect of consolidation			
items having an effect on earnings	1,875		2,192
outstanding balances on clearing accounts	56,072		10,252
Other (as of 2005 incl.)			
currency swap deferrals)	211,238		185,267
Total	434,865		334,778
<b>Accruals and deferrals</b>			
of which:			
premiums on claims	12,654		13,224
discount received on liabilities	14,686		12,168
from the issuing and loans business			
of the mortgage bank	281,887		209,697
upfront payments interest-related derivatives	21,390		15,603
<b>Subordinated assets</b>			
included in:			
other claims on banks	12,715		11,012
claims on customers	20,061		42,591
bonds and other fixed interest securities	144,743		130,368
Shares and other variable rate securities	17,433		22,859
<b>Assets denominated in foreign currency</b>			
equivalent of	4,503,503		3,778,202

# WGZ BANK Notes to the Consolidated Financial Statements

as at 31.12. 2005

## V. NOTES TO THE BALANCE SHEET – LIABILITIES –

	EUR '000	'04 EUR '000
<b>Liabilities to banks</b>		
according to residual terms:		
payable on demand	5,225,807	5,415,312
up to three months	10,313,673	10,508,457
longer than three months up to one year	2,137,653	2,562,255
longer than one year and up to five years	5,341,496	4,815,818
longer than five years	8,255,903	7,538,941
<b>Total</b>	<b>31,274,532</b>	<b>30,840,783</b>
of which:		
member banks	9,357,082	10,505,073
Deutsche Zentral-Genossenschaftsbank	584,759	516,528
companies in which an interest is held	361,302	492,618
<b>Other liabilities to customers</b>		
according to residual terms:		
payable on demand	2,174,783	1,111,323
up to three months	2,509,131	2,601,949
longer than three months up to one year	885,093	278,167
longer than one year and up to five years	2,928,068	2,932,197
longer than five years	4,713,423	3,416,273
<b>Total</b>	<b>13,210,498</b>	<b>10,339,909</b>
of which due to:		
companies in which an interest is held	10,220	7,666
affiliated companies	25	–
<b>Securitised liabilities</b>		
a) bonds and notes issued	25,270,790	21,733,112
b) other securitised liabilities		
with originally agreed periods of notice of		
up to three months	29,882	12,912
longer than three months up to one year	15,506	26,244
longer than one year and up to five years	–	–
longer than five years	–	–
<b>Total</b>	<b>25,316,178</b>	<b>21,772,268</b>
of which due to:		
bonds and notes issued due in the subsequent year	5,138,519	4,823,304
Details on the securitised liabilities due to companies in which an interest is held cannot be stated.		
<b>Liabilities on a trust basis</b>		
due to bank	38,249	43,783
due to customers	91	103

	EUR '000	'04 EUR '000
<b>Other liabilities</b>		
premiums from interest-related option sales	72,385	63,481
premiums from currency-related option sales	70,547	38,327
premiums from share/index-related option sales	20,781	14,066
Premiums from other option sales	11,971	3,759
payment obligations for security purchases	130,509	–
currency conversion adjustments	–	–
outstanding balances on suspense accounts	–	–
interest on profit-sharing right	32,764	37,258
Other (as of 2005 incl. currency swap deferrals)	106,294	45,367
<b>Total</b>	<b>445,251</b>	<b>202,258</b>

### Accruals and deferrals

of which:		
discount on claims from the issuing and loan business of the mortgage bank	13,796	16,989
upfront payments interest-related derivatives	45,719	2,978

### Tax provisions

of which:		
deferred tax on revaluation and consolidation measures affecting cash flows	–	–

### Subordinated liabilities

of which:		
companies in which an interest is held	–	–
expenses incurred in the financial year relating to subordinated loans	27,743	27,533

The subordinated liabilities at the end of the year under review consist of 73 registered note loans and 5 bearer bonds. In the year under review, 2 registered note loans for a total of EUR 20 m were taken up. The individual subordinated loans taken up are each for less than 10 % of the aggregate amount of the subordinated loans. The subordinated creditors' claims will be met only after satisfying all other creditors' claims. Creditors' rights to give notice are excluded.

### Profit-sharing rights outstanding

The profit-sharing rights outstanding at the end of the year under review consist of 37 registered participation certificates and 6 bearer participation certificates. In the year under review, no new profit-sharing rights capital was taken up.

	EUR '000	'04 EUR '000
<b>Capital and reserves</b>		
subscribed capital (share capital)		
as at: 01.01.2005	528,564	528,564
additions (capital increase of 08.12.2005)	76,036	–
as at: 31.12.2005	604,600	528,564
capital reserves		
as at: 01.01.2005	–	–
additions (capital increase of 08.12.2005)	212,900	–
as at: 31.12.2005	212,900	–
revenue reserves		
statutory reserves	354,030	354,030
of which: allocation from annual net profit	–	18,000
of which: allocation from net profit of the previous year	–	–
reserves for own shares	21	–
of which: transfers from other revenue reserves	21	–
reserves required by articles of association	25,000	–
of which: allocation from annual net profit	25,000	–
other revenue reserves	383,456	374,409
of which: allocation from annual net profit	–	18,000
of which: allocation from net profit of the previous year	8,334	8,606
	<b>762,507</b>	<b>728,439</b>
minority interests	41,474	37,989
of which: from earnings	3,423	2,155
Group profit	131,621	74,962
of which: profit carried forward	34,954	22,726
Total	<b>1,753,102</b>	<b>1,369,954</b>

On 26 August 2005 WGZ BANK changed its legal form from a registered cooperative to a public limited company. At the date of the conversion, the equity capital of EUR 528,564,400.00 corresponded to the members' capital contributions as at 1 January 2005. The equity capital was divided into 5,285,644 registered shares each conveying a notional proportional entitlement in the equity capital of EUR 100.00 at the date of the conversion. These shares are entitled to dividend as of 1 January 2005.

Within the framework of a capital increase decided by the Managing Board on 6 September 2005 with the consent of the Supervisory Board of 9 September 2005 and entered in the Register of Companies on 8 December 2005 making partial use of the approved capital, 760,356 new registered shares each conveying a notional proportional entitlement in the equity capital of EUR 100.00 were issued at an issue price of EUR 380.00. The new shares are entitled to dividend as of 1 November 2005.

Of the cash contributions from the capital increase, EUR 76,035,600.00 was allocated to subscribed capital and EUR 212,899,680.00 to capital reserves. For a period of five years as of 26 August 2005, the approved capital will remain at EUR 53,964,400.00.

	EUR '000	'04 EUR '000
<b>Liabilities denominated in foreign currencies</b>		
equivalent of	3,974,602	3,026,184
<b>Assets pledged as security</b>		
Relating to liabilities to banks:		
Total ceded claims for liabilities in respect of earmarked funds	8,213,576	8,356,350
Negotiated registered mortgage bonds	1,882	2,698
and negotiated registered public-sector bonds delivered to the lender as security for loans from the mortgage bank business	172	1,257
Relating to liabilities to customers:		
Total ceded claims for liabilities in respect of earmarked funds	3	19
Negotiated registered mortgage bonds and negotiated registered public-sector bonds delivered to the lender as security for loans from the mortgage bank business	3,579	8,692
Claims arising from loan agreements ceded as security for loans from the mortgage bank business	16,500	18,034
	<b>190,918</b>	<b>145,343</b>
<b>Other obligations</b>		
Irrevocable credit commitments to banks	1,805,563	1,797,671
Irrevocable credit commitments to customers	2,724,246	2,157,166

A total of EUR 3,358 m was additionally deposited as security for open-market transactions, for stock exchange forward transactions and for collateral agreements within the framework of OTC trading transactions.

# WGZ BANK Notes to the Consolidated Financial Statements

as at 31.12. 2005

## VI. NOTES ON THE PROFIT AND LOSS ACCOUNT

### Breakdown of certain revenue items according to geographical markets

	Germany EUR '000	Other European countries EUR '000
Interest income	2,349,685	263,427
Current income from shares, other variable rate securities, investments and proprietors' capital holding and holdings in affiliated companies	61,337	–
Commissions received	155,519	15,622
Net income from financial operations	46,817	4,895
Other operating income	52,686	686

### Extraordinary expenses

The extraordinary expenses result basically from expenses in connection with the change of the legal form of WGZ BANK and with the events within the framework of the contribution of shares in WGZ BANK into WGZ Beteiligungs GmbH & Co. KG.

### Taxes on income

The tax charge is almost completely against the result on ordinary activities.

## VII. OTHER FINANCIAL COMMITMENTS

### Other financial commitments

WGZ BANK is a member of the protection scheme existing at the Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V., with a guarantee fund and guarantee Verbund. Within the framework of the guarantee Verbund, WGZ BANK has assumed a guarantee obligation equal to eight times the basic levy contribution to the guarantee fund. Other contingent liabilities not shown in

the balance sheet are of minor importance for the assessment of the financial situation; they relate to balance setoff agreements, joint liabilities under registered securities, liability obligations under articles of association, as well as un-called liability obligations concerning shares in cooperatives.

## VIII. OFF-BALANCE SHEET FINANCIAL TRANSACTIONS

### Counterparty structure

	positive market values EUR '000
OECD central governments and stock exchanges	29,885
OECD banks	2,013,051
OECD financial institutions	21,184
Other companies, private persons	31,924
Non-OECD central governments	–
Non-OECD banks	8,842
Non-OECD financial institutions	–
Total	2,104,886

The positive market values represent the maximum default risk as at balance sheet date. They are calculated from the sum of all positive contract market values without offsetting any negative contract market values, without including securities and without applying credit-based weighting rates. The contracts listed in the following table have mainly been concluded to hedge against fluctuations in interest rates, exchange rates or other market prices. In addition, some of the contracts were concluded to hedge interest rate and exchange rate fluctuations resulting from the general banking business. Because of the consolidation of transactions with subsidiaries, individual statements may also be smaller than in the overview for WGZ BANK.

## Product structure and nominal volumes (incl. commission business)

	Nominal Amount by Residual Maturity				Market values	
	up to 1 year	1–5 years	over 5 years	total	negative	positive
				EUR '000	EUR '000	EUR '000
<b>Interest-related contracts</b>	<b>25,120,717</b>	<b>41,471,104</b>	<b>27,532,797</b>	<b>94,124,618</b>	<b>2,186,183</b>	<b>1,622,255</b>
of which accounted for by:						
OTC products						
FRAs	1,110,032	–	–	1,110,032	136	4
Interest rate swaps (same currency)	11,929,078	35,917,353	26,491,590	74,338,021	2,047,212	1,554,360
Interest rate options – purchases	2,304,349	1,692,341	64,976	4,061,666		48,978
Interest rate options – sales	2,059,708	2,865,294	976,231	5,901,233	121,642	
Other interest rate contracts	20,000	–	–	20,000	12	
Exchange-traded products						
Interest rate futures	7,472,550	996,116	–	8,468,666	7,211	3,693
Interest rate options	225,000	–	–	225,000	9,970	15,220
<b>Currency-related contracts</b>	<b>53,562,188</b>	<b>259,021</b>	<b>4,672</b>	<b>53,825,881</b>	<b>410,290</b>	<b>423,587</b>
of which accounted for by:						
OTC products						
Currency futures	33,520,957	259,021	4,672	33,784,650	347,023	325,849
Currency options – purchases	9,038,609	–	–	9,038,609		97,738
Currency options – sales	11,002,622	–	–	11,002,622	63,267	
Other foreign exchange contracts	–	–	–	–		
Exchange-traded products						
Currency futures	–	–	–	–		
Currency options	–	–	–	–		
<b>Share/index-related contracts</b>	<b>2,790,124</b>	<b>245,503</b>	<b>–</b>	<b>3,035,627</b>	<b>42,684</b>	<b>41,307</b>
of which accounted for by:						
OTC products						
Share/index swaps	–	–	–	–		
Share/index options – purchases	4,404	126,206	–	130,610		16,740
Share/index options – sales	186,879	107,661	–	294,540	18,938	
Other share/index contracts	–	–	–	–		
Exchange-traded products						
Share/index futures	1,159,223	–	–	1,159,223	9,627	9,901
Share/index options	1,439,618	11,636	–	1,451,254	14,119	14,666
<b>Other contracts</b>	<b>121,851</b>	<b>725,334</b>	<b>185,427</b>	<b>1,032,612</b>	<b>15,732</b>	<b>17,737</b>
of which accounted for by:						
OTC products						
Cross-currency swaps	42,851	394,642	102,427	539,920	7,486	6,273
Credit default swaps	79,000	330,692	83,000	492,692	8,246	11,464
Exchange-traded products	–	–	–	–		
<b>Total of all contracts</b>	<b>81,594,880</b>	<b>42,700,962</b>	<b>27,722,896</b>	<b>152,018,738</b>	<b>2,654,889</b>	<b>2,104,886</b>
of which accounted for by:						
OTC products	71,298,489	41,693,210	27,722,896	140,714,595	2,613,962	2,061,406
Exchange-traded products	10,296,391	1,007,752	–	11,304,143	40,927	43,480
Contingent risks arising from credit default swaps				<b>960,000</b>		

# WGZ BANK Notes to the Consolidated Financial Statements

as at 31.12. 2005

## IX . DEVELOPMENT OF FIXED ASSETS

Intangible and tangible assets:	Intangible assets EUR '000	Land and buildings EUR '000	Office fixtures, fittings and equipment EUR '000
Acquisition and production cost	-	106,457	91,015
Additions	-	661	4,747
Write-ups	-	-	-
Disposals	-	-	11,369
Accumulated write-downs	-	30,332	66,231
Transfers	2,563	-	- 2,563
Net book value as at balance sheet date	2,563	76,786	15,599
Write-downs in the financial year	-	2,922	8,263

Financial assets:	Securities held as fixed assets EUR '000	Investments and proprietors' capital holding, holdings in affiliated companies EUR '000
Historical and production cost	2,376,672	1,347,332
Changes total	319,959	65,584
Net book value as at balance sheet date	2,696,631	1,412,916

## X . GROUP HOLDINGS

Name and location		Holding in %	Net worth in previous financial year EUR '000	Result EUR '000
DZ Holding AG & Co. KG, Frankfurt/M.	*1)	35.69	933,106	10,044
R+V Versicherung AG, Wiesbaden	*2)	15.66	1,463,274	62,240
Union Asset Management Holding AG, Frankfurt/M.	*2)	17.72	283,509	88,268
DIFA Deutsche Immobilien Fonds AG, Hamburg	*2)	5.50	114,259	41,302
VR-LEASING AG, Eschborn	*2)	16.54	220,927	10,357
DZ PRIVATBANK (Schweiz) AG, Zurich	*2)	13.34	130,160	10,685
dwpbank Deutsche WertpapierService Bank AG, Frankfurt/M.	*2)	10.00	150,077	- 3,602
GVA GENO-Vermögens-Anlage-Gesellschaft mbH, Frankfurt/M.	*3)	33.33	8,668	6,665

Details on further holdings have not been stated, as they play an insignificant role in conveying a true and fair view of the group's assets, financial position and earnings.

\*1) The company holds a 6.64 % stake in DZ BANK AG for WGZ BANK

\*2) Investments in large corporations that exceed 5% of the voting rights

\*3) Associated company



## X I . O T H E R I N F O R M A T I O N

### Information according to Section 20 Stock Corporation Act (AktG)

In a letter of 05.10.2005, WGZ Beteiligungs GmbH & Co. KG, Düsseldorf, gave the information in accordance with Section 20 para. 4 AktG that it directly owns a majority interest in WGZ BANK.

### Auditor

Deutscher Genossenschafts- und Raiffeisenverband e.V., Berlin, Pariser Platz 3

	EUR '000
Expenses charged for the audit of the financial statements in the financial year	879
Other certification or assessment services	65
Tax consulting services	–
Other services	–

### Mandates on the Supervisory Boards of large corporations

#### WGZ BANK Managing Board

##### Werner Böhnke

DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt/M.	– Member of the Supervisory Board
Bausparkasse Schwäbisch Hall AG, Schwäbisch Hall	– Member of the Supervisory Board

##### Michael Fraedrich

DIFA Deutsche Immobilien Fonds AG, Hamburg	– Deputy Chairman of the Supervisory Board
VR-LEASING AG, Eschborn	– Deputy Chairman of the Supervisory Board
dwpbank Deutsche WertpapierService Bank AG, Frankfurt/M.	– Member of the Supervisory Board
BAG Bankaktiengesellschaft, Hamm	– Member of the Supervisory Board
Zentrum Mikroelektronik Dresden AG, Dresden	– Member of the Supervisory Board

##### Karl-Heinz Moll

Union Asset Management Holding AG, Frankfurt/M.	– Deputy Chairman of the Supervisory Board
DZ PRIVATBANK (Schweiz) AG, Zurich	– Vice president of the Administrative Board
dwpbank Deutsche WertpapierService Bank AG, Frankfurt/M.	– Member of the Supervisory Board
R+V Versicherung AG, Wiesbaden	– Member of the Supervisory Board
GLADBACHER BANK Aktiengesellschaft von 1922, Mönchengladbach	– Member of the Supervisory Board

### Total emoluments of the Board Members of the Parent Bank

The statement of the total emoluments of the members of the Managing Board for their work in the parent company and in subsidiaries is omitted pursuant to Section 286 para. 4 of the German Commercial Code. The Supervisory Board received EUR 115,000 and the Advisory Board EUR 172,000 in compensation and attendance fees. EUR 1,760,000 was paid to retired members of the Managing Board or their surviving dependants; the pension provisions of EUR 15,138,000 for this group of persons cover all commitments.

Amounts to from Board Members	EUR '000
Supervisory Board	341
Advisory Board	4,784
Managing Board	261

### Average number of employees

	female	male	total
WGZ BANK	363	699	1.062
Subsidiaries	163	192	355
	526	891	1,417

**I. NOTES TO THE CASH FLOW STATEMENT**

The cash flow statement is in accordance with the requirements of the German Accounting Standards (DRS) 2 and 2-10. The cash flow statement shows the composition of and changes in cash and cash equivalents during the financial year. It is subdivided into three sections, namely operating activities, investment activities and financial activities.

The cash flow from operating activities comprises inflows and outflows of cash arising from claims on banks and customers as well as securities and other assets, unless they are classified as investment activities. Inflows and outflows of liabilities to banks and customers, from securitised liabilities and other liabilities are likewise a part of the cash flow from operating activities. In addition, interest and dividend payments, capital gains from the disposal of fixed and financial assets as well as income tax payments are also shown as cash flow from operating activities.

The cash flow from investing activities shows payments for investments and financial assets. In addition, it also includes the balance sheet item changes in the scope of consolidation.

The cash flow from financing activities comprises inflows from capital increase measures as well as inflows and outflows from the changes in subordinated liabilities and in profit-sharing rights outstanding. In addition, the cash flow from financing activities also shows the outflow from dividend payments.

Cash and cash equivalents contain the balance sheet item cash reserve and include cash on hand, balances with central banks as well as debt issues by public-sector borrowers and bills of exchange eligible for rediscounting at central banks.

## II. CASH FLOW STATEMENT

	EUR '000	2004 EUR '000
Annual net profit after taxes	125,090	90,391
Extraordinary items	2,001	- 992
Period profit before extraordinary items	127,091	89,399
Non-cash items included in the annual net profit and transition to the cash flow from operating activities		
Depreciation, write-downs and write-ups on claims as well as on tangible and financial assets	98,143	95,357
Changes in provisions	23,322	- 8,872
Changes in other non-cash items	-	3,900
Profit/Loss from the disposal of fixed and financial assets	- 346	- 1,037
Other adjustments (net)	- 387,999	- 271,814
Subtotal	- 139,789	- 93,067
Changes in assets and liabilities from current business activities		
Claims - to banks	- 2,512,974	143,275
- to customers	- 1,529,764	- 508,462
Securities (other than financial assets)	- 2,896,239	- 4,150,782
Other assets from current business activities	- 142,986	- 58,897
Liabilities - to banks	433,750	1,060,752
- to customers	2,870,589	835,224
Securitised liabilities	3,543,910	2,895,717
Other liabilities from current business activities	261,578	10,654
Interest and dividend received	2,674,449	2,489,097
Interest paid	- 2,350,082	- 2,191,654
Extraordinary receipts and payments	2,001	-
Income tax payments	- 39,561	- 22,285
<b>Cash flow from current business activities</b>	<b>174,882</b>	<b>409,571</b>
Receipts from disposal of financial assets	1,031,502	700,337
Receipts from disposal of tangible assets	11,369	8,684
Payments for additions to financial assets	- 1,415,170	- 1,108,690
Payments for additions to tangible assets	- 5,426	- 9,414
Receipts from the sale of consolidated companies	-	-
Payments for the acquisition of consolidated companies	1,832	- 59,312
Change in funds from other investment activities	-	1,892
<b>Cash flow from investment activities</b>	<b>- 375,893</b>	<b>- 466,504</b>
Receipts from capital contributions	288,936	7,030
Dividend payments	- 32,709	- 26,202
Change in funds from other capital	- 77,145	- 15,564
<b>Cash flow from financing activities</b>	<b>179,082</b>	<b>- 34,736</b>
<b>Cash on hand at the end of the previous period</b>	<b>272,812</b>	<b>364,481</b>
Cash flow from current business operations	174,882	409,571
Cash flow from investment activities	- 375,893	- 466,504
Cash flow from financing activities	179,082	- 34,736
Exchange rates, consolidation, and valuation related changes	-	-
<b>Cash on hand at the end of the period</b>	<b>250,833</b>	<b>272,812</b>

## I. NOTES TO THE SEGMENT REPORTING

The segment reporting is in accordance with the requirements of the German Accounting Standards (DRS) 3 and 3-10. The segment results are provided by the internal management information system, which is the basis for the bank-wide and Group-wide management.

**Definition of the Segments**

The primary segmentation is oriented to the WGZ BANK Group's strategic orientation to its target customer groups Member Banks, Corporate Customers, Capital Market Partners as well as Real Estate Customers, who are particularly supported by WL-Bank.

The primary segments of segment reporting are distinguished as follows:

- The Member Banks segment comprises the entire business with the member banks, loans to customers of the member banks under their guarantee as well as the business with wealthy private clients mediated by the member banks.
- The Corporate Customers segment comprises both the directly acquired business and the business with small to medium-sized corporate clients mediated by the member banks, including the commercial real estate business.
- The Capital Market Partners/Trade segment includes the interbanking business as well as the business with institutional customers and with corporate customers that are able to access the capital market, including the results of trading for own account.
- The Real Estate Customers segment comprises the real estate loan business of WL-BANK as well as the real estate services of WGZ Immobilien + Treuhand and of WGZ Immobilien + Management.
- The Other/Consolidation segment essentially comprises all central results that cannot be allocated to other segments, in particular the income and refinancing costs of the participations as well as the result of the Treasury activities of the individual Group companies. Moreover, this segment includes the results of smaller subsidiaries as well as positions from the transition from internal reporting to financial statement figures and from consolidation processes.

In the secondary segmentation, results are reported by regions, divided into Germany and other European countries. The allocation of results to these two segments depends on the seat of the respective Group companies.

**Method of Result Determination**

Net interest income, which also includes the current income, is allocated to the segments according to the market interest rate method. In order to ensure a comparability of the segments with economically independent units, the calculatory interest income resulting from the investment of the capital allocated to them is allocated to the segments, too; a risk-free, long-term capital market interest rate is taken as a basis here. The net income from financial transactions reported under the customer groups Member Banks and Corporate Customers are customer contributions from securities and foreign exchange trading. The operating expenditure allocated to the segments includes, apart from the direct costs of the business segments, also the costs of central staff and operating divisions (overhead costs) distributed according to actual demand or by means of suitable ratios.

Risk provisions include, apart from net new value adjustments on the loan portfolio and the valuation result of the securities of the liquidity reserve, also the allocation to hidden risk provisions pursuant to Section 340 f of the German Commercial Code.

The segment result closes with the result after risk provisioning according to DRS 3-10. The transition to the Group's net income for the year before taxes is achieved through the additional indication of the result of other business activities (net).

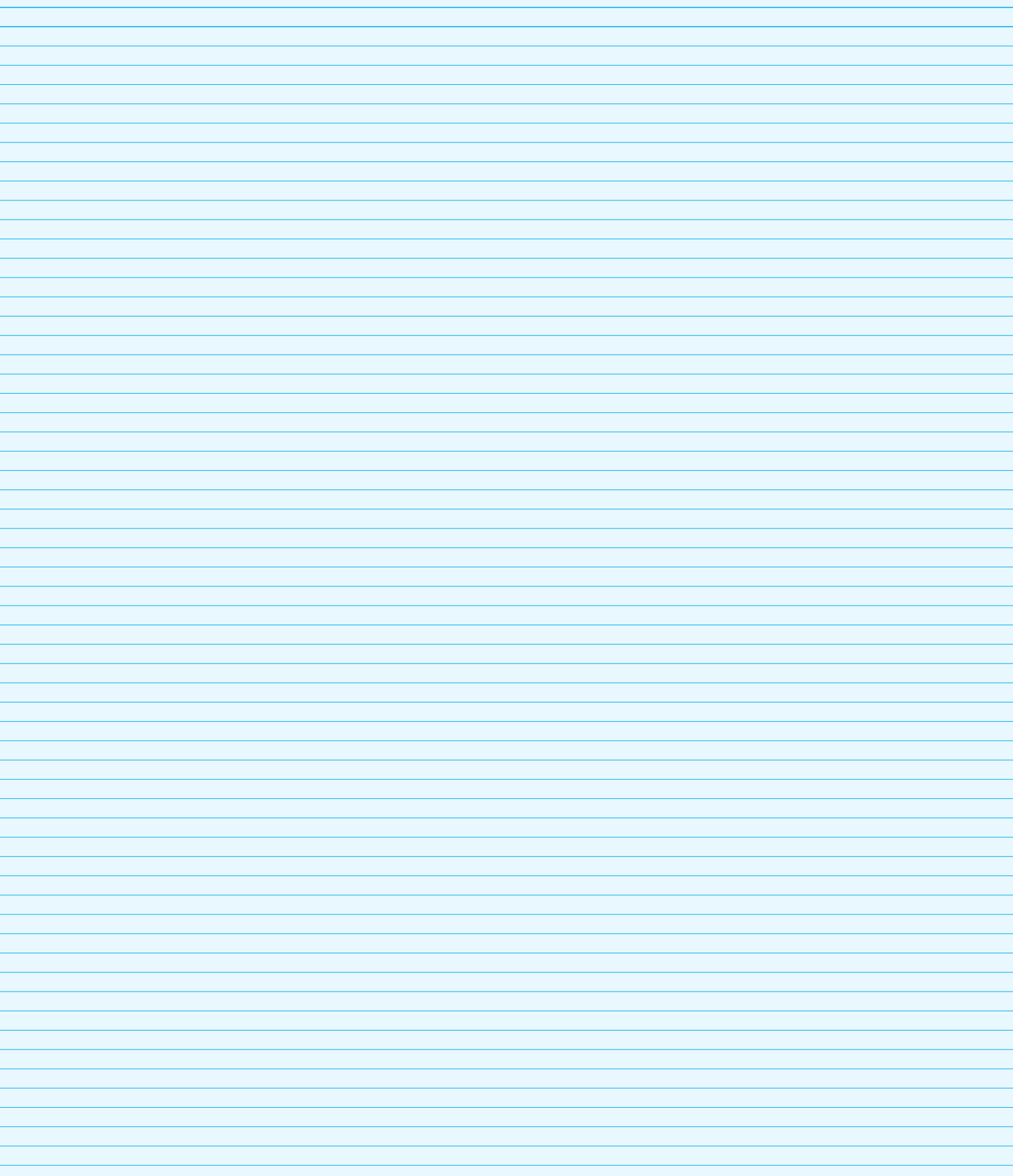
Assets and liabilities correspond to the balance sheet items assets and liabilities, which are allocated to the segments. The risk positions consist of the risk assets weighted in accordance with Principle I of the Federal Banking Supervisory Office and the capital charges for market risk positions on an annual average.

The capital allocated to the individual segments is derived from the regulatory core capital. The capital backing of the segments' risk positions is made at a total of 5 percent. This corresponds to the regulatory core capital ratio of at least 4 percent with an additional internal surcharge of 1 percent. System-inherent deviations from the Group's equity capital – share capital on an annual average plus reserves at the beginning of the financial year – are allocated to the Other/Consolidation segment as transition positions.

The profitability of the allocated capital according to DRS 3-10 puts the result after risk provisioning in relation to the allocated capital. The profitability reported for the individual segments is - determined by the system - strongly affected by the determination of the risk positions and their capital backing, with this determination being tied to the regulatory rules. In particular, the allocated capital of the Member Banks segment is low in comparison with its business volume. This is essentially due to the fact that only 20 percent of the claims on member banks are counted as risk positions. In addition, this business area is strongly affected by the services and deposit-taking business, which ties up resources rather than capital.

The high allocation of capital to the Other/Consolidation segment reflects the participations in credit and financial institutions of the cooperative association secondarily held for the member banks, for which the regulators require capital backing with liable equity to the full extent.

The cost/income ratio puts the administrative expenditure in relation to the sum of net interest income, net commission income, net result from financial transactions and other operating result.



# WGZ BANK Consolidated Segment Reporting 2005

## II. SEGMENT REPORTING BY BUSINESS AREAS

in EUR m		Member	Corporate	Capital Market	Real Estate	Other/	Group
		Banks	Customers	Partners/Trade	Customers	Consolidation	
Net interest income	2005	42.2	70.3	63.6	65.9	82.4	324.4
	2004	42.9	69.0	52.9	60.4	72.2	297.4
Net commission income	2005	55.1	11.1	23.6	- 8.7	- 13.4	67.7
	2004	48.7	8.9	17.1	- 8.4	- 12.2	54.1
Net income from financial operations	2005	2.6	2.8	41.6	- 0.1	4.8	51.7
	2004	3.4	0.7	45.0	0.0	2.6	51.6
Other operating result	2005	- 0.5	- 0.5	- 2.4	2.2	10.9	9.8
	2004	0.0	0.0	0.0	1.3	4.2	5.6
Administrative expenses	2005	82.9	40.3	54.9	26.2	18.6	223.0
	2004	76.4	39.8	54.4	26.0	18.2	214.8
Risk provisioning	2005	0.1	11.5	- 2.1	14.5	41.7	65.7
	2004	0.8	19.8	- 0.9	25.0	27.9	72.6
Result after risk provisioning	2005	16.4	32.0	73.6	18.4	24.5	164.8
	2004	17.9	19.0	61.4	2.4	20.7	121.3
Result of other business activities (net)	2005					5.5	5.5
	2004					0.2	0.2
Annual net profit before taxes	2005	16.4	32.0	73.6	18.4	30.0	170.3
	2004	17.9	19.0	61.4	2.4	20.9	121.5
Assets	2005	12,333.8	4,602.1	15,445.3	7,275.4	33,927.1	73,583.7
	2004	12,729.0	4,888.5	13,137.1	6,893.0	28,484.3	66,131.9
Liabilities	2005	9,350.8	1,408.7	18,163.8	7,547.2	37,113.2	73,583.7
	2004	10,450.4	919.2	16,992.6	7,159.4	30,610.3	66,131.9
Risk positions	2005	2,448.7	4,341.5	5,223.8	4,031.8	5,081.8	21,127.6
	2004	2,507.6	4,121.6	4,486.2	3,752.6	4,482.2	19,350.3
Allocated capital	2005	122.4	217.7	261.2	202.1	598.0	1,401.4
	2004	125.4	206.8	224.3	188.2	465.2	1,209.8
Return on allocated capital in %	2005	13.4	14.7	28.2	9.1		11.8
	2004	14.2	9.2	27.4	1.3		10.0
Cost/income ratio in %	2005	83.4	48.1	43.5	44.3		49.2
	2004	80.4	50.6	47.4	48.7		52.6

## III. SEGMENT REPORTING BY REGIONS

in EUR m		Germany	Other European Countries	Consolidation	Group
Net interest income	2005	307.4	26.4	- 9.4	324.4
	2004	276.4	26.4	- 5.4	297.4
Net commission income	2005	57.1	18.3	- 7.8	67.7
	2004	47.1	12.0	- 5.1	54.1
Net income from financial operations	2005	47.0	0.2	4.5	51.7
	2004	46.6	0.0	5.0	51.6
Other operating result	2005	16.3	- 3.1	- 3.4	9.8
	2004	17.8	0.3	- 12.5	5.6
Administrative expenses	2005	216.3	15.2	- 8.5	223.0
	2004	209.2	13.6	- 8.0	214.8
Risk provisioning	2005	66.2	0.1	- 0.5	65.7
	2004	75.2	0.1	- 2.8	72.6
Result after risk provisioning	2005	145.3	26.6	- 7.1	164.8
	2004	103.4	25.1	- 7.1	121.3
Result of other business activities (net)	2005	0.6	4.9		5.5
	2004	11.7	- 11.5		0.2
Annual net profit before taxes	2005	145.9	31.5	- 7.1	170.3
	2004	115.1	13.6	- 7.1	121.5
Assets	2005	68,607.1	6,986.8	- 2,010.2	73,583.7
	2004	60,810.6	6,823.0	- 1,501.7	66,131.9
Liabilities	2005	68,607.1	6,986.8	- 2,010.2	73,583.7
	2004	60,810.6	6,823.0	- 1,501.7	66,131.9
Risk positions	2005	18,889.7	2,237.9		21,127.6
	2004	17,164.9	2,185.4		19,350.3
Allocated capital	2005	1,133.7	267.8		1,401.5
	2004	962.2	247.6		1,209.8
Return on allocated capital in %	2005	12.8	9.9		11.8
	2004	10.7	10.1		10.0
Cost/income ratio in %	2005	50.6	36.3		49.2
	2004	54.0	35.0		52.6

## STATEMENT OF OWNERS' EQUITY

2004 in EUR '000	Subscribed capital	Capital reserves	Revenue reserves/ group profit (*)	Capital of the parent company	Capital of minority shareholders	Consolidated capital
<b>as at 01.01. 2004</b>	521,534	–	741,401	1,262,935	31,473	<b>1.294.408</b>
Issue of shares	7,030			7,030		<b>7,030</b>
Dividends paid			– 25,297	– 25,297	– 905	<b>– 26,202</b>
Changes in the scope of consolidation and other changes			– 939	– 939	5,266	<b>4,327</b>
Consolidated annual net profit			88,236	88,236	2,155	<b>90,391</b>
<b>as at 31.12. 2004</b>	528,564	–	803,401	1,331,965	37,989	<b>1,369,954</b>

2005 in EUR '000	Subscribed capital	Capital reserves	Revenue reserves/ group profit (*)	Capital of the parent company	Capital of minority shareholders	Consolidated capital
<b>as at 01.01. 2005</b>	528,564	–	803,401	1,331,965	37,989	<b>1,369,954</b>
Issue of shares	76,036	212,900		288,936		<b>288,936</b>
Dividends paid			– 31,679	– 31,679	– 1,030	<b>– 32,709</b>
Changes in the scope of consolidation and other changes			739	739	1,092	<b>1,831</b>
Consolidated annual net profit			121,667	121,667	3,423	<b>125,090</b>
<b>as at 31.12. 2005</b>	604,600	212,900	894,128	1,711,628	41,474	<b>1,753,102</b>

(\*) consolidated capital generated in accordance with DRS 7

WGZ BANK consolidated annual financial statements as at 31.12.2005

Düsseldorf, April 18, 2006

**WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank**

Böhnke    Fraedrich    Moll    Pfeifer    Ullrich    Wolberg



# Auditors' Certificate for the Consolidated Annual Financial Statements

Pursuant to the final result of our audit, we issued the following unqualified certificate of confirmation on the consolidated financial statements as at 31 December 2005 and on the Group Management Report for the Financial Year 2005 of WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank, Düsseldorf, under the date of 20 April 2006:

"We have audited the consolidated financial statements and the accounts of WGZ Bank AG Westdeutsche Genossenschafts-Zentralbank, Düsseldorf, as well as its Group Management Report, which was combined with the Management Report of WGZ Bank AG Westdeutsche Genossenschafts-Zentralbank, Düsseldorf, for the business year from January 1st 2005 to December 31st 2005. The preparation of these documents in accordance with the German Commercial Code and the supplementary rules contained in the Articles of Association are the responsibility of the company's legal representatives. Our responsibility is to express an opinion based on our audit on these consolidated financial statements and the consolidated Management Report.

We have conducted our audit of the consolidated financial statements in accordance with Sections 340 k and 317 of the German Commercial Code and the auditing standards of the "Institut der Wirtschaftsprüfer" (IDW), according to which the audit is to be

planned and conducted in such a way that any misstatements or infringements of generally accepted accounting practice that exert a material influence on the view conveyed of the net worth and financial and earnings position of the Group by the consolidated financial statements and by the consolidated Management Report may be ascertained with reasonable certainty. When planning our audit activities we took due account of the Group's business activities and its business and legal environment as well as of expectations of possible errors. Within the framework of our audit, the efficacy of the Group's internal control system as well as evidence for the information provided by the accounts, the Group's consolidated financial statements and in the consolidated Management Report are ascertained primarily on the basis of sample tests. The audit encompasses an assessment of the annual financial statements of the companies included in the consolidated annual financial statements, the definition of the scope of consolidation, the accounting and consolidation principles used and the significant estimates made by the Group's Managing Board as well as an appraisal of the overall presentation of the Group's annual financial statements and of the Management Report. We are of the opinion that our audit provides an adequate basis for our assessment.

Our audit revealed no objections.

According to our judgement on the basis of the knowledge gained from the audit, the consolidated financial statements are in compliance with the statutory requirements and the supplementary rules of the Articles of Association and convey a true and fair view of the net worth, financial and earnings situation of the Group in accordance with accepted accounting principles. The consolidated Management Report conveys a suitable presentation of the situation of the Group and of the chances and risks entailed in future developments."

Berlin, April 20, 2006

DEUTSCHER  
GENOSSENSCHAFTS- AND RAIFFEISEN-  
VERBAND E.V.

(Prof. Dr. Leuschner)	p.p. (Berghaus)
Auditor	Auditor

## **Index of the Schedules**

### **Schedules**

Schedule 1:Terms and Conditions of Notes in Bearer Form .....	A-2 - A-36
Emissionsbedingungen Inhaberschuldverschreibungen	
Schedule 2:Terms and Conditions of Bearer Pfandbriefe.....	A-37 - A-59
Emissionsbedingungen Inhaberpfandbriefe	
Schedule 3:Terms and Conditions of Jumbo Pfandbriefe and Global Pfandbrief Issues	
.....	A-60 – A-64
Emissionsbedingungen Jumbopfandbriefe und Pfandbrief-Globalanleihen	
Schedule 4:Form of Final Terms .....	A-65 - A-102
Muster Endgültige Bedingungen	

**Schedule 1**  
**Terms and Conditions of Notes in Bearer Form**  
**(other than Pfandbriefe)**

**Emissionsbedingungen für Inhaberschuldverschreibungen**  
**(ausgenommen Pfandbriefe)**

The Terms and Conditions set forth below, as amended by the Final Terms, will apply to the Notes to be issued under the Programme. Conditions which need to be completed, as indicated by a placeholder, and specified drafting alternatives will be determined by the Final Terms relating to the relevant issue of Notes.

Auf die unter dem Angebotsprogramm zu begebenden Schuldverschreibungen kommen die nachfolgend abgedruckten, jeweils durch die Endgültigen Bedingungen angepassten Emissionsbedingungen zur Anwendung. Durch einen Platzhalter gekennzeichnete ausfüllungsbedürftige Bedingungen sowie vorgegebene Gestaltungsalternativen werden durch die Endgültigen Bedingungen für die jeweilige Emission von Schuldverschreibungen festgelegt.

**§ 1 Währung, Stückelung, Form, Definitionen**

(1) *Währung; Stückelung.* Diese Tranche von Schuldverschreibungen (die "**Schuldverschreibungen**") der WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, Münster (die "**Emittentin**") wird in [**Festgelegte Währung einfügen**] (die "**Festgelegte Währung**") im Gesamtnennbetrag von [**Gesamtnennbetrag einfügen**] (in Worten: [**Gesamtnennbetrag in Worten einfügen**]) (der "**Gesamtnennbetrag**"), eingeteilt in Schuldverschreibungen im festgelegten Nennbetrag von je [**Festgelegten Nennbetrag einfügen**] (der "**Festgelegte Nennbetrag**").

(2) *Form.* Die Schuldverschreibungen lauten auf den Inhaber.

(3) *Globalurkunden.* Die Schuldverschreibungen sind [in einer Dauer-Globalurkunde ("**Dauer-Globalurkunde**") [zunächst in einer vorläufigen Inhaber-Globalurkunde ("**Vorläufige Globalurkunde**") ohne Zinsscheine verbrieft. Die [Dauer-Globalurkunde trägt] [Vorläufige Globalurkunde und die Dauer-Globalurkunde tragen jeweils] die eigenhändigen oder faksimilierten Unterschriften von zwei Vertretungsberechtigten der Emittentin [sowie die eigenhändige Unterschrift eines Kontrollbeauftragten des Fiscal Agent].

**[Im Fall von Schuldverschreibungen, die durch eine vorläufige Globalurkunde verbrieft sind,**

**§ 1 Currency, Denomination, Form, Certain Definitions**

(1) *Currency; Denomination.* This tranche of Notes (the "**Notes**") of WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, Münster (the "**Issuer**") is being issued in [**insert Specified Currency**] (the "**Specified Currency**") in the aggregate principal amount of [**insert aggregate principal amount**] (in words: [**insert aggregate principal amount in words**]) (the "**Aggregate Principal Amount**"), divided into notes in the specified denomination of [**insert Specified Denomination**] (the "**Specified Denomination**") each.

(2) *Form.* The Notes are issued in bearer form.

(3) *Global Notes.* The Notes are [represented by a permanent global note ("**Permanent Global Note**") [initially represented by a temporary global bearer Note ("**Temporary Global Note**") without interest coupons. [The Permanent Global Note shall bear] [Each of the Temporary Global Note and the Permanent Global Note shall bear] the manual or facsimile signatures of two duly authorised officers of the Issuer [as well as the manual signature of an authentication officer of the Fiscal Agent].

**[In the case of Notes which are represented by a Temporary Global Note add the following**

den folgenden Absatz dem § 1 Absatz (3) hinzufügen:

Die Vorläufige Globalurkunde wird am oder nach dem Austauschtag gegen Nachweis über das Nichtbestehen wirtschaftlichen U.S.-Eigentums im Sinne des U.S.-Rechts (*non-U.S. beneficial ownership*) in der in der Vorläufigen Globalurkunde enthaltenen Form, für den Inhaber von Schuldverschreibungen unentgeltlich ganz oder teilweise gegen eine dauerhafte Inhaber-Globalurkunde ("**Dauer-Globalurkunde**") (die Vorläufige Globalurkunde und die Dauer-Globalurkunde jeweils auch eine "**Globalurkunde**") ohne Zinsscheine eingetauscht werden.

"**Austauschtag**" ist ein Tag, der am oder nach dem 40. Tag nach dem Tag der Begebung der vorläufigen Globalurkunde liegt.]

- (4) *Effektive Stücke:* Ein Recht der Anleihegläubiger auf Ausgabe und Lieferung von Einzelurkunden oder Zinsscheinen besteht nicht.
- (5) *Verwahrung:* Die [Dauer-Globalurkunde wird] [Vorläufige Globalurkunde und die Dauer-Globalurkunde werden] solange bei oder im Auftrag von [Clearstream Banking AG, Frankfurt ("**Clearstream, Frankfurt**") [einer gemeinsamen Verwahrstelle für Clearstream Banking, société anonyme, Luxemburg ("**Clearstream, Luxembourg**") und Euroclear Bank S.A./N.V., als Betreiberin des Euroclear Systems ("**Euroclear**") [einer Verwahrstelle oder einem Nominee zur Einbeziehung der Schuldverschreibungen in das Clearingsystem der [anderes Clearing System einfügen]] ([zusammen] das "**Clearing System**") verwahrt, bis sämtliche Verpflichtungen der Emittentin aus den Schuldverschreibungen erfüllt sind.
- (6) *Inhaber von Schuldverschreibungen.* "**Anleihegläubiger**" bezeichnet jeden Inhaber eines Miteigentumsanteils oder anderen Rechts an [den] [dem unter einer Wertpapieridentifizierungsnummer im betreffenden Clearingsystem geführten Sammelbestand der] Schuldverschreibungen, die gemäß anwendbarem Recht und den Bestimmungen und Regeln des Clearing Systems übertragen werden können.

[Im Fall von nicht nachrangigen

provision to § 1 para. (3):

The Temporary Global Note will be exchangeable, free of charge to the holder of Notes, on or after its Exchange Date, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Note for a permanent global bearer Note ("**Permanent Global Note**") (the Temporary Global Note and the Permanent Global Note, each a "**Global Note**") without coupons.

"**Exchange Date**" means a day falling not earlier than 40 days after the date of issue of the Temporary Global Note.]

- (4) *Definitive Notes:* The right of the Noteholders to require the issue and delivery of definitive notes or interest coupons is excluded.
- (5) *Clearing System:* [The Permanent Global Note] [Each of the Temporary Global Note and the Permanent Global Note] will be held in custody by or on behalf of [Clearstream Banking AG, Frankfurt ("**Clearstream, Frankfurt**") [a depository common to Clearstream Banking, société anonyme, Luxemburg ("**Clearstream, Luxembourg**") and Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**") [a depository or nominee for purposes of introducing the Notes into the clearing system operated by [insert other clearing system]] ([together] the "**Clearing System**") until all obligations of the Issuer under the Notes have been satisfied.
- (6) *Holder of Notes.* "**Noteholder**" means any holder of a proportionate co-ownership or other beneficial interest or right in the Notes [introduced into the Clearing System under a particular securities identification number], which are transferable in accordance with applicable laws and the rules and regulations of the Clearing System.

[In the case of unsubordinated Notes insert the

**Schuldverschreibungen die folgende  
Alternative 1 des § 2 einfügen:**

**§ 2 Status**

Die Schuldverschreibungen begründen direkte, unbedingte, nicht nachrangige und unbesicherten Verbindlichkeiten der Emittentin, die untereinander im gleichen Rang stehen. Die Verpflichtungen aus den Schuldverschreibungen sind mit allen anderen unbesicherten ausstehenden Verbindlichkeiten (mit Ausnahme von etwaigen nachrangigen Verbindlichkeiten) der Emittentin gleichrangig, soweit zwingende gesetzliche Bestimmungen nichts anderes vorschreiben.]

**[Im Fall von nachrangigen  
Schuldverschreibungen die folgende  
Alternative 2 des § 2 einfügen:**

**§ 2 Status**

- (1) *Status:* Die Schuldverschreibungen begründen unbesicherte und nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind.
- (2) *Nachrang bei Auflösung, Liquidation oder Insolvenz:* Im Fall der Auflösung, der Liquidation oder der Insolvenz der Emittentin oder eines anderen der Abwendung der Insolvenz dienenden Verfahrens gegen die Emittentin, gehen die Verbindlichkeiten aus den Schuldverschreibungen den Ansprüchen dritter Gläubiger der Emittentin aus nicht nachrangigen Verbindlichkeiten im Range nach, so dass Zahlungen auf die Schuldverschreibungen solange nicht erfolgen, wie die Ansprüche dieser dritten Gläubiger der Emittentin aus nicht nachrangigen Verbindlichkeiten nicht vollständig befriedigt sind.
- (3) *Aufrechnungsausschluss:* Kein Anleihegläubiger ist berechtigt, mit Ansprüchen aus den Schuldverschreibungen gegen Ansprüche der Emittentin aufzurechnen.
- (4) *Ausschluss von Sicherheiten:* Für die Rechte der Anleihegläubiger aus den Schuldverschreibungen ist diesen keine Sicherheit irgendwelcher Art durch die Emittentin oder durch Dritte gestellt; eine solche Sicherheit wird auch zu keinem Zeitpunkt gestellt werden.
- (5) *Nachträgliche Vereinbarungen:* Nachträglich

**following alternative 1 of § 2:**

**§ 2 Status**

The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without preference among themselves. The payment obligations of the Issuer under the Notes (save for certain obligations preferred by mandatory provisions of statutory law) shall rank *pari passu* with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding.]

**[In the case of Subordinated Notes insert the  
following alternative 2 of § 2:**

**§ 2 Status**

- (1) *Status:* The obligations under the Notes constitute unsecured and subordinated obligations of the Issuer ranking *pari passu* among themselves and *pari passu* with all other subordinated obligations of the Issuer.
- (2) *Subordination in case of dissolution, liquidation or insolvency:* In the event of the dissolution, liquidation or insolvency or other proceedings for the avoidance of insolvency of, or against, the Issuer, such obligations will be subordinated to the claims of all unsubordinated creditors of the Issuer so that in any such event no amounts shall be payable under such obligations until the claims of all unsubordinated creditors of the Issuer shall have been satisfied in full.
- (3) *No set-off or counterclaims:* No Noteholder may set off his claims arising under the Notes against any claims of the Issuer.
- (4) *No security:* No security of whatever kind is, or shall at any time be, provided by the Issuer or any other person securing rights of the Noteholders under such Notes.
- (5) *Subsequent agreements:* No subsequent

kann weder der Nachrang gemäß diesem § 2 beschränkt noch die Laufzeit der Schuldverschreibungen und jede anwendbare Kündigungsfrist verkürzt werden.

- (6) *Vorzeitige Rückzahlung oder Rückerwerb:* Werden die Schuldverschreibungen vor dem Endfälligkeitstag unter anderen als den in diesem § 2 **[falls im Falle von Tier 2 nachrangigen Schuldverschreibungen vorzeitige Rückzahlung aus steuerlichen Gründen anwendbar ist, einfügen:** oder in § 4 Absatz 2] beschriebenen Umständen zurückgezahlt oder von der Emittentin **[Im Falle von Tier 2 nachrangigen Schuldverschreibungen einfügen:** (außer in den Fällen des § 10 Absatz 5a Satz 6 Kreditwesengesetz) **[Im Falle von Tier 3 nachrangigen Schuldverschreibungen einfügen:** (außer in den Fällen des § 10 Absatz 7 Satz 5 Kreditwesengesetz)] zurückerworben, so ist der zurückgezahlte oder gezahlte Betrag der Emittentin ohne Rücksicht auf entgegenstehende Vereinbarungen zurückzugewähren, sofern nicht der gezahlte Betrag durch die Einzahlung anderen, zumindest gleichwertigen haftenden Eigenkapitals im Sinne des Kreditwesengesetzes ersetzt worden ist oder die Bundesanstalt für Finanzdienstleistungsaufsicht der vorzeitigen Rückzahlung oder dem Rückkauf zugestimmt hat.

**[Im Falle von Tier 3 nachrangigen Schuldverschreibungen einfügen:** Die Emittentin ist nicht berechtigt, Zahlungen von Kapital oder Zinsen oder andere Zahlungen auf die Schuldverschreibungen zu leisten, wenn diese Zahlungen zur Folge hätten, dass die Eigenmittel der Emittentin nicht mehr im Einklang mit jeweils geltenden gesetzlichen Anforderungen stünden; jede dagegen verstoßende Zahlung muss ungeachtet anderslautender Vereinbarungen zurückgeleistet werden.

Jede nach dem vorstehenden Satz untersagte Zahlung ist in voller Höhe zu leisten, wenn und sobald diese Zahlung nicht mehr zur Folge hätte, dass die Eigenmittel der Emittentin im Zeitpunkt dieser Zahlung hinter den jeweils geltenden gesetzlichen Anforderungen zurückblieben. Die Emittentin hat ihre Absicht, eine solche Zahlung zu leisten, vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen gemäß § [12] schriftlich

agreement may limit the subordination pursuant to the provisions set out in this § 2 or amend the Maturity Date in respect of the Notes to any earlier date or shorten any applicable notice period (*Kündigungsfrist*).

- (6) *Repayment or repurchase:* If the Notes are redeemed before the Maturity Date otherwise than in the circumstances described in this § 2 **[if in case of Tier 2 Subordinated Notes Early Redemption for Taxation Reasons applies insert:** or in § 4 (2)] or repurchased by the Issuer **[In case of Tier 2 Subordinated Notes insert:** (otherwise than in accordance with the provisions of § 10 (5a) sentence 6 of the German Banking Act (*Kreditwesengesetz*))] **[In case of Tier 3 Subordinated Notes insert:** (otherwise than in accordance with the provisions of § 10 (7) sentence 5 German Banking Act)], then the amounts redeemed or paid must be returned to the Issuer irrespective of any agreement to the contrary unless the amounts paid have been replaced by the inpayment of other liable capital (*haftendes Eigenkapital*) of at least equivalent status within the meaning of the German Banking Act, or the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) has consented to such redemption or repurchase.

**[In case of Tier 3 Subordinated Notes insert:** No payment in respect of the Notes (whether of principal, interest or otherwise) may be made by the Issuer if such payment would have the consequence that the own funds (*Eigenmittel*) of the Issuer would no longer meet the statutory requirements applicable from time to time; any payment made in violation of the foregoing must be repaid to the Issuer irrespective of any agreement to the contrary.

Any payment that may not be made pursuant to the preceding sentence shall be made in full if and when such payment will no longer have the consequence that the own funds of the Issuer would fall, at the time of such payment, below the statutory requirements. The Issuer shall give not less than 30 or more than 45 days' prior written notice in accordance with § [12] of its intention to make such payment.]

mitzuteilen.]

- (7) *Marktpflege:* Ungeachtet der vorstehenden Bestimmungen dieses § 2 ist die Emittentin ist berechtigt, Schuldverschreibungen im Rahmen der Marktpflege bis zu einer Höhe von 3% ihres Gesamtnennbetrages (eine entsprechende Absicht ist der Bundesanstalt für Finanzdienstleistungsaufsicht und der Deutschen Bundesbank unverzüglich anzuzeigen) oder im Rahmen einer Einkaufskommission zu erwerben.]

- (7) *Stabilisation:* Notwithstanding the preceding provisions of this § 2, the Issuer shall be entitled to purchase Notes issued by itself, for the purpose of market stabilisation, of up to 3 per cent. of their aggregate principal amount (the intention to make such purchase must be notified to the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) and to the German Federal Bank (*Deutsche Bundesbank*) without undue delay), or as commission agent (*Einkaufskommissionär*).]

### § 3

### Zinsen

**[(A) Festzinsalternative: Im Fall von fest verzinslichen Schuldverschreibungen die folgenden Absätze (1)-(3) einfügen:**

- (1) *Zinssatz und Zinszahlungstage.* Die Schuldverschreibungen werden in Höhe ihres Nennbetrages vom **[Verzinsungsbeginn einfügen]** (einschließlich) bis zum Endfälligkeitstag (wie in § 4 **[Absatz 1]** definiert) (ausschließlich) mit jährlich **[Zinssatz einfügen]** % verzinst. Die Zinsen sind nachträglich am **[Festzinstermine) einfügen]** eines jeden Jahres zahlbar (jeweils ein **"Zinszahlungstag"**). Die erste Zinszahlung erfolgt am **[ersten Zinszahlungstag einfügen]** **[sofern der erste Zinszahlungstag nicht der erste Jahrestag des Verzinsungsbeginns ist einfügen:** und beläuft sich auf **[anfänglichen Bruchteilszinsbetrag einfügen]** **[falls sich der anfängliche Bruchteilszinsbetrag auf den Gesamtnennbetrag bezieht, einfügen:** bezogen auf den Gesamtnennbetrag.] **[falls sich der anfängliche Bruchteilszinsbetrag auf die festgelegte Stückelung bezieht, einfügen:]** je festgelegte Stückelung.] **[Sofern der Endfälligkeitstag kein Festzinstermine ist, einfügen:** Die Zinsen für den Zeitraum vom **[den letzten dem Endfälligkeitstag vorausgehenden Festzinstermine einfügen]** (einschließlich) bis zum Endfälligkeitstag (ausschließlich) belaufen sich auf **[abschließenden Bruchteilszinsbetrag einfügen]** **[falls sich der abschließende Bruchteilszinsbetrag auf den Gesamtnennbetrag bezieht einfügen:** bezogen auf den Gesamtnennbetrag.] **[falls sich der abschließende Bruchteilszinsbetrag auf**

### § 3

### Interest

**[(A) Fixed Rate Alternative: In the case of Fixed Rate Notes insert the following paras. (1)-(3):**

- (1) *Rate of Interest and Interest Payment Dates.* The Notes shall bear interest on their principal amount at the rate of **[insert Rate of Interest]** per cent. per annum from (and including) **[insert Interest Commencement Date]** to (but excluding) the Maturity Date (as defined in § 4 [(1)]). Interest shall be payable in arrear on **[insert Fixed Interest Date or Dates]** in each year (each such date, an "Interest Payment Date"). The first payment of interest shall be made on **[insert First Interest Payment Date]** **[if First Interest Payment Date is not first anniversary of Interest Commencement Date insert:** and will amount to **[insert Initial Broken Amount]** **[if Initial Broken Amount per Aggregate Principal Amount insert:** per Aggregate Principal Amount.] **[if Initial Broken Amount per Specified Denomination per Specified Denomination.]]** **[If Maturity Date is not a Fixed Interest Date insert:** Interest in respect of the period from (and including) **[insert Fixed Interest Date preceding the Maturity Date]** to (but excluding) the Maturity Date will amount to **[insert Final Broken Amount]** **[if Final Broken Amount per Aggregate Principal Amount insert:** per Aggregate Principal Amount.] **[if Final Broken Amount per Specified Denomination]** per Specified Denomination.] **[If the Specified Currency is Euro and if Actual/Actual (ICMA) is applicable insert:** The number of Interest Payment Dates per calendar year (each a "Determination Date") is **[insert number of regular Interest Payment Dates per**



die festgelegte Stückelung bezieht einfügen] je festgelegte Stückelung.] [Falls die festgelegte Währung Euro ist, und falls Actual/Actual (ICMA) anwendbar ist, einfügen: Die Anzahl der Zinszahlungstage im Kalenderjahr (jeweils ein "Feststellungstermin") beträgt [Anzahl der regulären Zinszahlungstage im Kalenderjahr einfügen].]

- (2) *Auflaufende Zinsen.* Falls die Emittentin die Schuldverschreibungen bei Endfälligkeit nicht einlöst, endet die Verzinsung der Schuldverschreibungen nicht an dem Tag (einschließlich), der dem Endfälligkeitstag vorausgeht, sondern erst an dem Tag (einschließlich), der der tatsächlichen Rückzahlung der Schuldverschreibungen vorausgeht. Die Verzinsung des ausstehenden Nennbetrages vom Tag der Fälligkeit an (einschließlich) bis zum Tag der Rückzahlung der Schuldverschreibungen (ausschließlich) erfolgt in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen).
- (3) *Berechnung der Zinsen für Teile von Zeiträumen.* Sofern Zinsen für einen Zeitraum von weniger als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachstehend definiert).]

**[(B) Variable Zinsalternative: Im Fall von variabel verzinslichen Schuldverschreibungen je nach Wahl in den Endgültigen Bedingungen die folgenden Absätze (1)-(7) einfügen:**

- (1) *Zinszahlungstage.*
- (a) Die Schuldverschreibungen werden in Höhe ihres Nennbetrages ab dem [Verzinsungsbeginn einfügen] (der "Verzinsungsbeginn") (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und danach von jedem Zinszahlungstag (einschließlich) bis zum nächstfolgenden Zinszahlungstag (ausschließlich) verzinst (jeweils, eine "Zinsperiode"). Zinsen auf die Schuldverschreibungen sind nachträglich an jedem Zinszahlungstag zahlbar.
- (b) "Zinszahlungstag" bedeutet

[im Fall von festgelegten Zinszahlungstagen oder einem festgelegten Zinszahlungstag einfügen: [im Falle einer langen ersten Zinsperiode einfügen: der [erster Zinszahlungstag einfügen] und danach] [jeder] [der] [festgelegte(r) Zinszahlungstag(e) einfügen] [im Falle

calendar year].]

- (2) *Accrual of Interest.* If the Issuer shall fail to redeem the Notes when due, interest shall not cease to accrue on (and including) the day which precedes the due date but shall continue to accrue until (and including) the day which precedes the actual redemption of the Notes. Interest shall continue to accrue on the outstanding principal amount of the Notes from the due date (inclusive) until the date of redemption of the Notes (exclusive) at the default rate of interest established by law).
- (3) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).]

**[(B) Floating Rate Alternative: In the case of Floating Rate Notes insert, in accordance with the selections made in the Final Terms, the following paras. (1)-(7):**

- (1) *Interest Payment Dates.*
- (a) The Notes bear interest on their principal amount from (and including) [insert Interest Commencement Date] (the "Interest Commencement Date") to (but excluding) the first Interest Payment Date and thereafter from (and including) each Interest Payment Date to (but excluding) the next following Interest Payment Date (each, an "Interest Period"). Interest on the Notes shall be payable in arrear on each Interest Payment Date.
- (b) "Interest Payment Date" means

[in the case of Specified Interest Payment Dates or one Specified Interest Payment Date insert: [in case of a long first interest period insert: [first Interest Payment Date] and thereafter] [each] [insert Specified Interest Payment Date(s)].] [in case of a long last interest period insert: The last

einer langen letzten Zinsperiode einfügen: Die letzte, dem Endfälligkeitstag vorausgehende Zinszahlung erfolgt am [Zinszahlungstag einfügen, der dem Endfälligkeitstag vorausgeht].]

[im Fall von festgelegten Zinsperioden einfügen: (soweit diese Emissionsbedingungen keine abweichenden Bestimmungen vorsehen) jeweils der Tag, der [Zahl einfügen] [Wochen] [Monate] [andere festgelegte Zeiträume einfügen] nach dem vorausgehenden Zinszahlungstag liegt, oder im Fall des ersten Zinszahlungstages, nach dem Verzinsungsbeginn.]

(c) Fällt ein Zinszahlungstag auf einen Tag, der kein Geschäftstag (wie nachstehend definiert) ist, so wird der Zinszahlungstag

[bei Anwendung der Modified Following Business Day Convention einfügen: auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.]

[bei Anwendung der FRN Convention einfügen: auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall (i) wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen und (ii) ist jeder nachfolgende Zinszahlungstag der jeweils letzte Geschäftstag des Monats, der [[Zahl einfügen] Monate] [andere festgelegte Zeiträume einfügen] nach dem vorhergehenden anwendbaren Zinszahlungstag liegt.]

[bei Anwendung der Following Business Day Convention einfügen: auf den nachfolgenden Geschäftstag verschoben.]

[bei Anwendung der Preceding Business Day Convention einfügen: auf den unmittelbar vorhergehenden Geschäftstag vorgezogen.]

(d) In diesem § 3 (1) bezeichnet "Geschäftstag" einen Tag (außer einem Samstag oder Sonntag), an dem (i) das Clearing System und (ii) [falls die festgelegte Währung Euro ist, einfügen: das Trans-European Automated Realtime Gross Settlement Express Transfer System (TARGET)] [falls die festgelegte Währung

payment of interest preceding the Maturity Date shall be made on [insert Interest Payment Date preceding the Maturity Date]]

[in the case of Specified Interest Periods insert: each date which (except as otherwise provided in these Terms and Conditions) falls [insert number] [weeks] [months] [insert other specified periods] after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.]

(c) If any Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below), it shall be:

[if Modified Following Business Day Convention insert: postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the Interest Payment Date shall be the immediately preceding Business Day.]

[if FRN Convention insert: postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) the Interest Payment Date shall be the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls [[insert number] months] [insert other specified periods] after the preceding applicable Interest Payment Date.]

[if Following Business Day Convention insert: postponed to the next day which is a Business Day.]

[if Preceding Business Day Convention insert: the immediately preceding Business Day.]

(d) In this § 3 (1) "Business Day" means a day which is a day (other than a Saturday or a Sunday) on which both (i) the Clearing System, and (ii) [if the Specified Currency is Euro insert: the Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET)] [if the Specified Currency is not Euro insert:

**nicht Euro ist, einfügen:** Geschäftsbanken für den üblichen Geschäftsverkehr geöffnet sind und Devisenmärkte in **[sämtliche relevanten Finanzzentren einfügen]** Zahlungen abwickeln.

- (2) **Zinssatz. [Bei Bildschirmfeststellung einfügen:** Der Zinssatz (der "Zinssatz") für jede Zinsperiode ist, sofern nachstehend nichts Abweichendes bestimmt wird, der Angebotssatz (ausgedrückt als Prozentsatz per annum) für Einlagen in der Festgelegten Währung für die [jeweilige Zinsperiode] **[andere Periode einfügen]**, der auf der Bildschirmseite am Zinsfeststellungstag (wie nachstehend definiert) gegen [11.00 Uhr ([Brüsseler] [Londoner])] **[andere zutreffende Uhrzeit und/oder anderen zutreffenden Ort einfügen]** Ortszeit) angezeigt wird **[im Fall einer Marge einfügen:** [zuzüglich] [abzüglich] der Marge (wie nachstehend definiert)], wobei alle Feststellungen durch die Berechnungsstelle, wie in § 6 Absatz 1 benannt, erfolgen.

**"Bildschirmseite"** bedeutet **[Bildschirmseite einfügen]** oder, falls diese eingestellt wird, deren Nachfolgeseite.

Sollte die Bildschirmseite nicht zur Verfügung stehen oder wird kein Angebotssatz angezeigt (zu der genannten Zeit), wird die Berechnungsstelle von den **[Londoner] [zutreffenden anderen Ort einfügen]** Hauptniederlassungen jeder der Referenzbanken (wie nachstehend definiert) **[in der Euro-Zone]** deren jeweilige Angebotssätze (jeweils als Prozentsatz per annum ausgedrückt) für Einlagen in der festgelegten Währung für die [betreffende Zinsperiode] **[andere Periode einfügen]** gegenüber führenden Banken im **[Londoner] [zutreffenden anderen Ort einfügen]** Interbanken- Markt **[in der Euro-Zone]** um ca. [11.00 Uhr ([Brüsseler] [Londoner])] **[andere zutreffende Uhrzeit und/oder anderen zutreffenden Ort einfügen]** Ortszeit) am Zinsfeststellungstag anfordern. **["Euro-Zone"** bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die Teilnehmerstaaten der Europäischen Wirtschafts- und Währungsunion sind.] Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, ist der Zinssatz für die betreffende Zinsperiode das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste **[im Fall von EURIBOR einfügen:** ein Tausendstel

commercial banks are generally open for business in, and foreign exchange markets in **[insert all relevant financial centres]** settle payments.

- (2) **Rate of Interest. [if Screen Rate Determination insert:** The rate of interest (the "Rate of Interest") for each Interest Period will, except as provided below, be the offered quotation (expressed as a percentage rate per annum) for deposits in the Specified Currency for [that Interest Period] **[insert other period]** which appears on the Screen Page as of [11:00 a.m. ([Brussels] [London])] **[insert other relevant time and/or relevant location]** time) on the Interest Determination Date (as defined below) **[if Margin insert:** [plus] [minus] the Margin (as defined below)], all as determined by the Calculation Agent, as specified in § 6 (1) below.

**"Screen Page"** means **[insert relevant Screen Page]** or, if discontinued, its successor page.

If the Screen Page is not available or if no such quotation appears (as at such time) the Calculation Agent shall request the principal **[Euro-Zone] [London] [insert other relevant location]** office of each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for deposits in the Specified Currency for the [relevant Interest Period] **[insert other period]** to leading banks in the **[London] [insert other relevant location]** interbank market [of the Euro-Zone] at approximately [11.00 a.m. ([Brussels] [London])] **[insert other relevant time and/or relevant location]** time) on the Interest Determination Date. **["Euro-Zone"** means the region comprised of Member States of the European Union that participate in the European Economic and Monetary Union.] If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the nearest **[in case of EURIBOR insert:** one thousandth of a percentage point, with 0.0005] **[in case of a reference rate other than EURIBOR insert:** one hundred-thousandth of a

Prozent, wobei 0,0005] **[im Fall eines anderen Referenzsatzes als EURIBOR einfügen:** ein Hunderttausendstel Prozent, wobei 0,000005] aufgerundet wird) dieser Angebotssätze **[im Fall einer Marge einfügen:** [zuzüglich] [abzüglich] der Marge], wobei alle Feststellungen durch die Berechnungsstelle erfolgen.

Falls an einem Zinsfeststellungstag nur eine oder keine der Referenzbanken der Berechnungsstelle solche im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Zinssatz für die betreffende Zinsperiode der Satz per annum, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste **[im Fall von EURIBOR einfügen:** ein Tausendstel Prozent, wobei 0,0005] **[im Fall eines anderen Referenzsatzes als EURIBOR einfügen:** ein Hunderttausendstel Prozent, wobei 0,000005] aufgerundet wird) der Angebotssätze ermittelt, die die Referenzbanken bzw. zwei oder mehrere von ihnen der Berechnungsstelle auf deren Anfrage als den jeweiligen Satz nennen, zu dem ihnen um ca. [11.00 Uhr ([Brüsseler] [Londoner])] **[andere zutreffende Uhrzeit und/oder anderen zutreffenden Ort einfügen]** Ortszeit) an dem betreffenden Zinsfeststellungstag Einlagen in der festgelegten Währung für die [betreffende Zinsperiode] **[andere Periode einfügen]** von führenden Banken im [Londoner] **[zutreffenden anderen Ort einfügen]** Interbanken-Markt [in der Euro-Zone] angeboten werden **[im Fall einer Marge einfügen:** [zuzüglich] [abzüglich] der Marge]; falls weniger als zwei der Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, dann soll der Zinssatz für die betreffende Zinsperiode der Angebotssatz für Einlagen in der festgelegten Währung für die [betreffende Zinsperiode] **[andere Periode einfügen]** oder das arithmetische Mittel (gerundet wie oben beschrieben) der Angebotssätze für Einlagen in der festgelegten Währung für die [betreffende Zinsperiode] **[andere Periode einfügen]** sein, den bzw. die eine oder mehrere Banken (die nach Ansicht der Berechnungsstelle und der Emittentin für diesen Zweck geeignet sind) der Berechnungsstelle als Sätze bekannt geben, die sie an dem betreffenden Zinsfeststellungstag gegenüber führenden Banken am [Londoner] **[zutreffenden**

percentage point, with 0.000005] being rounded upwards) of such offered quotations **[if Margin insert: [plus] [minus] the Margin]**, all as determined by the Calculation Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest **[in case of EURIBOR insert: one thousandth of a percentage point, with 0.0005] [in case of a reference rate other than EURIBOR insert: one hundred-thousandth of a percentage point, with 0.000005]** being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, as at [11.00 a.m. ([Brussels] [London])] **[insert other relevant time and/or relevant location]** time) on the relevant Interest Determination Date, deposits in the Specified Currency for the [relevant Interest Period] **[insert other period]** by leading banks in the [London] **[insert other relevant location]** interbank market [of the Euro-Zone] **[if Margin insert: [plus] [minus] the Margin]** or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for the [relevant Interest Period] **[insert other period]**, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for the [relevant Interest Period] **[insert other period]**, at which, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent and the Issuer suitable for such purpose) inform(s) the Calculation Agent it is or they are quoting to leading banks in the [London] **[insert other relevant location]** interbank market [of the Euro-Zone] (or, as the case may be, the quotations of such bank or banks to the Calculation Agent) **[if Margin insert: [plus] [minus] the Margin]**. If the Rate of Interest cannot be determined in

**anderen Ort einfügen]** Interbanken-Markt [in der Euro-Zone] nennen (bzw. den diese Banken gegenüber der Berechnungsstelle nennen) **[im Fall einer Marge einfügen: [zuzüglich] [abzüglich] der Marge]**. Für den Fall, dass der Zinssatz nicht gemäß den vorstehenden Bestimmungen dieses Absatzes ermittelt werden kann, ist der Zinssatz der Angebotssatz oder das arithmetische Mittel der Angebotssätze auf der Bildschirmseite, wie vorstehend beschrieben, an dem letzten Tag vor dem Zinsfeststellungstag, an dem diese Angebotssätze angezeigt wurden **[im Fall einer Marge einfügen: [zuzüglich] [abzüglich] der Marge** (wobei jedoch, falls für die relevante Zinsperiode eine andere Marge als für die unmittelbar vorhergehende Zinsperiode gilt, die relevante Marge an die Stelle der Marge für die vorhergehende Zinsperiode tritt).]

**"Referenzbanken"** bezeichnet **[falls in den Endgültigen Bedingungen keine anderen Referenzbanken bestimmt werden, einfügen:** diejenigen Niederlassungen von vier derjenigen Banken, deren Angebotssätze zur Ermittlung des maßgeblichen Angebotssatzes zu dem Zeitpunkt benutzt wurden, als solch ein Angebot letztmals auf der Bildschirmseite angezeigt wurde] **[Falls in den Endgültigen Bedingungen andere Referenzbanken bestimmt werden, sind sie hier einzufügen].**

**[Wenn der Referenzsatz ein anderer als EURIBOR oder LIBOR ist, sind die entsprechenden Einzelheiten anstelle der Bestimmungen dieses Absatzes 2 einzufügen]**

**[Wenn die festgelegte Währung die Währung eines Landes ist, das am Tag der Begebung nicht Teilnehmerstaat der Europäischen Wirtschafts- und Währungsunion ist, einfügen:** Falls die Währung der Schuldverschreibungen von der festgelegten Währung auf Euro umgestellt und der zuletzt auf der Bildschirmseite angezeigte Satz nicht durch anwendbares Recht in Gesetzes- oder Verordnungsform ersetzt wird, bedeutet Bildschirmseite **[•]** von Reuters oder deren Nachfolgersite als Euro Interbank Offered Rate (EURIBOR) angezeigten Referenzsatz. Dieser Referenzsatz gilt von der ersten Zinsperiode an, die nach Umstellung der festgelegten Währung auf Euro beginnt. Von

accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such quotations were offered **[if Margin insert: [plus] [minus] the Margin]** (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period)].

**"Reference Banks"** means **[if no other Reference Banks are specified in the Final Terms, insert:** those offices of four of such banks whose offered rates were used to determine such quotation when such quotation last appeared on the Screen Page] **[if other Reference Banks are specified in the Final Terms, insert names here].**

**[If the Reference Rate is other than EURIBOR or LIBOR, insert relevant details in lieu of the provisions of this subparagraph (2)]**

**[If the Specified Currency is a currency of a country which does not at the date of issue participate in the European Economic and Monetary Union, insert:** If the Notes are redenominated from the Specified Currency into Euro and if the rate last displayed on the Screen Page is not substituted by applicable statutory or regulatory law, Screen Page shall mean the reference rate specified as Euro Interbank Offered Rate (EURIBOR) on the monitor page **[•]** of Reuters or its successor page. This reference rate shall commence to be applicable with respect to the first Interest Period which begins after redenomination of the Specified Currency into Euro. As of such Interest Period each reference in this

dieser Zinsperiode an gilt in diesem Absatz 2 jede Bezugnahme auf eine Ortszeit als Bezugnahme auf Brüsseler Ortszeit, jede Bezugnahme auf eine Hauptniederlassung als Bezugnahme auf die jeweilige Hauptniederlassung in der Euro-Zone und jede Bezugnahme auf einen Interbanken-Markt als Bezugnahme auf den Interbanken-Markt in der Euro-Zone. **"Euro-Zone"** bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die Teilnehmerstaaten der Europäischen Wirtschafts- und Währungsunion sind.]]

**[Falls der Zinssatz durch Bezugnahme auf Formeln festgestellt wird, einfügen:** Der Zinssatz (der **"Zinssatz"**) für jede Zinsperiode wird durch die Berechnungsstelle in Übereinstimmung mit nachfolgender Formel berechnet (ausgedrückt als Prozentsatz per annum): **[Formel einfügen und detaillierte Beschreibung der in der jeweiligen Formel enthaltenen Variablen einschließlich der relevanten fall back Bestimmungen].**

**"Zinsfeststellungstag"** bezeichnet den **[[zweiten] [zutreffende andere Zahl von Tagen einfügen] [TARGET-] [Londoner] [zutreffende andere Bezugnahmen einfügen] Geschäftstag [[vor Beginn] [vor Ende] der jeweiligen Zinsperiode] [vor dem jeweiligen Zinszahlungstag]] [ersten Tag der jeweiligen Zinsperiode]. [Im Fall eines TARGET-Geschäftstages einfügen:** **"TARGET-Geschäftstag"** bezeichnet einen Tag, an dem TARGET betriebsbereit ist.] **[Im Fall eines anderen Geschäftstages als eines TARGET-Geschäftstages einfügen:** **"[Londoner] [zutreffenden anderen Ort einfügen] Geschäftstag"** bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken in **[London] [zutreffenden anderen Ort einfügen]** für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind.]

**[Im Fall einer Marge einfügen:** Die **"Marge"** beträgt **[•]**% per annum.]

**[Sofern ISDA-Feststellung gelten soll, sind die entsprechenden Bestimmungen einzufügen und die von der International Swaps and Derivatives Association, Inc. (ISDA) veröffentlichten 2000 ISDA-Definitionen (unter Berücksichtigung der jeweiligen Änderungen und Ergänzungen) diesen**

subparagraph (2) to a local time shall be to Brussels time, each reference to a principal office shall be to the principal Euro-Zone office and each reference to an interbank market shall be to the interbank market of the Euro-Zone. **"Euro-Zone"** means the region comprised of Member States of the European Union that participate in the European Economic and Monetary Union.]]

**[If the Rate of Interest is determined by reference to a formula insert:** The rate of interest (the **"Rate of Interest"**) for each Interest Period shall be determined by the Calculation Agent in accordance with the following formula (expressed as a percentage rate per annum): **[insert formula and detailed description of the relevant variables including the relevant fall back provisions].**

**"Interest Determination Date"** means the **[[second] [insert other applicable number of days] [TARGET] [London] [insert other relevant reference] Business Day** prior to the **[[commencement] [end] of the relevant Interest Period] [relevant Interest Payment Date]] [first day of the relevant Interest Period]. [In case of a TARGET Business Day insert: "TARGET Business Day"** means a day on which TARGET is operating.] **[In case of a non-TARGET Business Day insert: "[London] [insert other relevant location] Business Day"** means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in **[London] [insert other relevant location].]**

**[If Margin insert: "Margin"** means **[•]** per cent. per annum.]

**[If ISDA Determination applies insert the relevant provisions and attach the 2000 ISDA Definitions published by the International Swaps and Derivatives Association (ISDA), as further amended and updated from time to time, to these Terms and Conditions.]**

Emissionsbedingungen als Anlage beizufügen.]

[•]

[Sofern eine andere Methode der Feststellung/Indexierung anwendbar ist, sind die entsprechenden Einzelheiten anstelle der Bestimmungen dieses Absatzes 2 einzufügen.]

[•]

[Falls ein Mindest- und/oder Höchstzinssatz gilt, einfügen:

(3) [Mindest-] [und] [Höchst-] Zinssatz.

[Falls ein Mindestzinssatz gilt einfügen:

Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode ermittelte Zinssatz niedriger ist als [Mindestzinssatz einfügen], so ist der Zinssatz für diese Zinsperiode [Mindestzinssatz einfügen].]

[Falls ein Höchstzinssatz gilt: Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode ermittelte Zinssatz höher ist als [Höchstzinssatz einfügen], so ist der Zinssatz für diese Zinsperiode [Höchstzinssatz einfügen].]

[(4)] *Zinsbetrag*. Die Berechnungsstelle wird zu oder baldmöglichst nach jedem Zeitpunkt, an dem der Zinssatz festzustellen ist, den auf die Schuldverschreibungen zahlbaren Zinsbetrag (der "Zinsbetrag") [im Fall von Schuldverschreibungen, bei denen die Globalurkunde von Euroclear oder Clearstream Banking S.A., Luxemburg verwahrt wird, einfügen: in bezug auf jeden Festgelegten Nennbetrag] für die entsprechende Zinsperiode berechnen. Der Zinsbetrag wird ermittelt durch Multiplikation des auf eine Zinsperiode anzuwendenden Zinssatzes mit [im Fall von Schuldverschreibungen, bei denen die Globalurkunde von Euroclear oder Clearstream Banking S.A., Luxemburg verwahrt wird, einfügen: jedem Festgelegten Nennbetrag] [im Fall von Schuldverschreibungen, bei denen die Globalurkunde von Clearstream Frankfurt verwahrt wird, einfügen: dem Gesamtnennbetrag], wobei dieses Produkt mit dem Zinstagequotienten (wie

[•]

[If other method of determination/indexation applies, insert relevant details in lieu of the provisions of this paragraph (2).]

[•]

[If Minimum and/or Maximum Rate of Interest applies insert:

(3) [Minimum] [and] [Maximum] Rate of Interest.

[If Minimum Rate of Interest applies

insert: If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is less than [insert Minimum Rate of Interest], the Rate of Interest for such Interest Period shall be [insert Minimum Rate of Interest].]

[If Maximum Rate of Interest applies

insert: If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is greater than [insert Maximum Rate of Interest], the Rate of Interest for such Interest Period shall be [insert Maximum Rate of Interest].]

[(4)] *Interest Amount*. The Calculation Agent will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, calculate the amount of interest (the "Interest Amount") payable on the Notes [in the case of Notes where the Global Note is kept in custody by Euroclear or Clearstream Banking S.A., Luxembourg insert: in respect of each Specified Denomination] for the relevant Interest Period. Each Interest Amount shall be calculated by multiplying the Rate of Interest applicable to an Interest Period with [in the case of Notes where the Global Note is kept in custody by Euroclear or Clearstream Banking S.A., Luxembourg insert: each Specified Denomination [in the case of Notes where the Global Note is kept in custody by Clearstream Frankfurt insert: the Aggregate Principal Amount] and multiplying the product with the Day Count Fraction (as defined below) and by rounding the resultant figure to [if the Specified Currency is Euro: the nearest

nachstehend definiert) multipliziert wird. Der so errechnete Betrag wird auf **[falls die festgelegte Währung Euro ist:** den nächsten 0,01 Euro auf- oder abgerundet, wobei 0,005 Euro aufgerundet wird.] **[falls die festgelegte Währung nicht Euro ist:** die kleinste Einheit der festgelegten Währung auf- oder abgerundet, wobei 0,5 solcher Einheiten aufgerundet werden.]

[(5)] *Mitteilung von Zinssatz und Zinsbetrag.* Die Berechnungsstelle wird veranlassen, dass der Zinssatz, **[im Fall von Schuldverschreibungen, bei denen die Globalurkunde von Euroclear oder Clearstream Banking S.A., Luxemburg verwahrt wird, einfügen:** der Zinsbetrag für die jeweilige Zinsperiode,] die jeweilige Zinsperiode und der relevante Zinszahlungstag der Emittentin und jeder Börse, an der die betreffenden Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, sowie den Anleihegläubigern gemäß § [12] baldmöglichst nach der Festlegung, aber keinesfalls später als am vierten auf die Berechnung jeweils folgenden [TARGET-] [Londoner] **[zutreffende andere Bezugnahme einfügen]** Geschäftstag (wie in § 3 Absatz 2 definiert) mitgeteilt werden. Im Fall einer Verlängerung oder Verkürzung der Zinsperiode können der mitgeteilte Zinsbetrag und Zinszahlungstag ohne Vorankündigung nachträglich angepasst (oder andere geeignete Anpassungsregelungen getroffen) werden. Jede solche Anpassung wird umgehend allen Börsen, an denen die Schuldverschreibungen zu diesem Zeitpunkt notiert sind, sowie den Anleihegläubigern gemäß § [12] mitgeteilt.

[(6)] *Verbindlichkeit der Festsetzungen.* Alle Bescheinigungen, Mitteilungen, Gutachten, Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieses § 3 gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, den Fiscal Agent [, die Zahlstellen] und die Anleihegläubiger bindend.

[(7)] *Auflaufende Zinsen.* Falls die Emittentin die Schuldverschreibungen bei Endfälligkeit nicht einlöst, endet die Verzinsung der Schuldverschreibungen nicht an dem Tag

0.01 Euro, with 0.005 Euro being rounded upwards] **[if the Specified Currency is not Euro:** the nearest unit of the Specified Currency, with 0.5 of such unit being rounded upwards].

[(5)] *Notification of Rate of Interest and Interest Amount.* The Calculation Agent will cause the Rate of Interest, **[in the case of Notes where the Global Note is kept in custody by Euroclear or Clearstream Banking S.A., Luxembourg insert:** each Interest Amount for each Interest Period,] each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and, if required by the rules of any stock exchange on which the Notes are from time to time listed, to such stock exchange, and to the Noteholders in accordance with § [12] as soon as possible after their determination, but in no event later than the fourth [TARGET] [London] **[insert other relevant reference]** Business Day (as defined in § 3 (2)) thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to any stock exchange on which the Notes are then listed and to the Noteholders in accordance with § [12].

[(6)] *Determinations Binding.* All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this § 3 by the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Fiscal Agent [, the Paying Agents] and the Noteholders.

[(7)] *Accrual of Interest.* If the Issuer shall fail to redeem the Notes when due, interest shall not cease to accrue on (and including) the day which precedes the due date, but shall



(einschließlich), der dem Endfälligkeitstag vorausgeht, sondern erst an dem Tag (einschließlich), der der tatsächlichen Rückzahlung der Schuldverschreibungen vorausgeht. Die Verzinsung des ausstehenden Nennbetrages vom Tag der Fälligkeit an (einschließlich) bis zum Tag der Rückzahlung der Schuldverschreibungen (ausschließlich) erfolgt in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen.)]

**[(C) Nullkuponalternative: Im Fall von Nullkupon-Schuldverschreibungen die folgenden Absätze (1) und (2) einfügen:**

- (1) *Keine periodischen Zinszahlungen.* Es erfolgen während der Laufzeit keine periodischen Zinszahlungen auf die Schuldverschreibungen.
- (2) *Auflaufende Zinsen.* Falls die Emittentin die Schuldverschreibungen bei Endfälligkeit nicht einlöst, fallen auf den Nennbetrag der Schuldverschreibungen ab dem Endfälligkeitstag (einschließlich) bis zu dem Tag (einschließlich), der der tatsächlichen Rückzahlung vorausgeht, Zinsen in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen an.]

**[(D) Im Fall von strukturierten, an einen CMS-Satz gekoppelten variabel verzinslichen Schuldverschreibungen, sind alle für die Verzinsung relevanten anwendbaren Bestimmungen hier und in den anwendbaren Endgültigen Bedingungen einfügen]**

[•]

**[(E) Im Fall von sonstigen strukturierten variabel verzinslichen Schuldverschreibungen, sind alle für die Verzinsung relevanten anwendbaren Bestimmungen hier und in den anwendbaren Endgültigen Bedingungen einfügen]**

[•]

**[(F) Im Fall von indexierten Schuldverschreibungen, sind alle für die Verzinsung relevanten anwendbaren Bestimmungen hier und in den anwendbaren Endgültigen Bedingungen einzufügen]**

[•]

**[(G) Im Fall von Equity Linked Schuldverschreibungen sind alle für die Verzinsung relevanten anwendbaren Bestimmungen hier und in den anwendbaren Endgültigen Bedingungen einzufügen.**

continue to accrue until (and including) the day which precedes actual redemption of the Notes. Interest shall continue to accrue on the outstanding principal amount of the Notes from the due date (inclusive) until the date of redemption of the Notes (exclusive) at the default rate of interest established by law.)]

**[(C) Zero Coupon Alternative: In the case of Zero Coupon Notes insert the following paras. (1) and (2):**

- (1) *No Periodic Payments of Interest.* There will not be any periodic payments of interest on the Notes during their term.
- (2) *Accrual of Interest.* If the Issuer shall fail to redeem the Notes when due, interest shall accrue on the principal amount of the Notes as from (and including) the Maturity Date to (and including) the day which precedes the date of actual redemption at the default rate of interest established by law.)]

**[(D) In the case of structured, CMS-Linked Floating Rate Notes, insert all applicable provisions regarding interest here and in the relevant Final Terms.]**

[•]

**[(E) In the case of other structured Floating Rate Notes, insert all applicable provisions regarding interest here and in the relevant Final Terms.]**

[•]

**[(F) In the case of Index Linked Notes relating to interest, insert all applicable provisions regarding interest here and in the relevant Final Terms.]**

[•]

**[(G) In the case of Equity Linked Notes relating to interest, insert all applicable provisions regarding interest here and in the relevant Final Terms.]**

[•]

[(H) Im Fall von Doppelwährungsschuldverschreibungen, sind alle für die Verzinsung relevanten anwendbaren Bestimmungen hier und in den anwendbaren Endgültigen Bedingungen einzufügen.]

[•]

[(Zutreffende Absatzziffer einfügen)] Zinstagequotient. "Zinstagequotient" bezeichnet im Hinblick auf die Berechnung des Zinsbetrages auf eine Schuldverschreibung für einen beliebigen Zeitraum (der "Zinsberechnungszeitraum"):

[Im Falle von Actual/365 oder Actual/Actual einfügen: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365 (oder, falls ein Teil dieses Zinsberechnungszeitraumes in ein Schaltjahr fällt, die Summe aus (A) der tatsächlichen Anzahl der in das Schaltjahr fallenden Tage des Zinsberechnungszeitraumes, dividiert durch 366, und (B) die tatsächliche Anzahl der nicht in das Schaltjahr fallenden Tage des Zinsberechnungszeitraumes, dividiert durch 365).]

[Im Falle von festverzinslichen Schuldverschreibungen, falls die festgelegte Währung Euro ist und Actual/Actual (ICMA) anwendbar ist, einfügen:

- (i) wenn der Zinsberechnungszeitraum (einschließlich des ersten, aber ausschließlich des letzten Tages dieser Periode) kürzer ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraumes fällt oder ihr entspricht, die Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum (einschließlich des ersten, aber ausschließlich des letzten Tages dieser Periode) geteilt durch das Produkt (1) der Anzahl der Tage in der Feststellungsperiode und (2) der Anzahl der Feststellungstermine (wie in § 3 (1) angegeben) in einem Kalenderjahr; oder
- (ii) wenn der Zinsberechnungszeitraum (einschließlich des ersten, aber ausschließlich des letzten Tages dieser Periode) länger ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraumes fällt, die Summe (A) der Anzahl der Tage in dem

[•]

[(H) In the case of Dual Currency Notes relating to interest, insert all applicable provisions regarding interest here and in the relevant Final Terms.]

[•]

[(insert relevant paragraph number)] *Day Count Fraction*. "Day Count Fraction" means with regard to the calculation of interest on any Note for any period of time (the "Calculation Period"):

[If Actual/365 or Actual/Actual insert: the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).]

[In the case of Fixed Rate Notes, if the Specified Currency is Euro and if Actual/Actual (ICMA) is applicable insert:

- (i) if the Calculation Period (from and including the first day of such period but excluding the last) is equal to or shorter than the Determination Period during which the Calculation Period ends, the number of days in such Calculation Period (from and including the first day of such period but excluding the last) divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in § 3 (1)) that would occur in one calendar year; or
- (ii) if the Calculation Period is longer than the Determination Period during which the Calculation Period ends, the sum of: (A) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of (1) the number of days in such

Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in welcher der Zinsberechnungszeitraum beginnt, geteilt durch das Produkt (1) der Anzahl der Tage in dieser Feststellungsperiode (2) der Anzahl der Feststellungstermine (wie in § 3 (1) angegeben) in einem Kalenderjahr und (B) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die nächste Feststellungsperiode fallen, geteilt durch das Produkt (1) der Anzahl der Tage in dieser Feststellungsperiode und (2) der Anzahl der Feststellungstermine (wie in § 3 (1) angegeben) in einem Kalenderjahr.

**"Feststellungsperiode"** ist die Periode ab einem Feststellungstermin (einschließlich desselben) bis zum nächsten Feststellungstermin (ausschließlich desselben).]

**[im Fall von Actual/365 (Fixed) einfügen:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 365.]

**[im Fall von Actual/360 einfügen:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 360.]

**[im Fall von 30/360, 360/360 oder Bond Basis einfügen:** die Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist (es sei denn, (A) der letzte Tag des Zinsberechnungszeitraums fällt auf den 31. Tag eines Monats, während der erste Tag des Zinsberechnungszeitraums weder auf den 30. noch auf den 31. Tag eines Monats fällt, wobei in diesem Fall der diesen Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Zinsberechnungszeitraums fällt auf den letzten Tag des Monats Februar, wobei in diesem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist).]

**[im Fall von 30E/360 oder Eurobond Basis einfügen:** die Anzahl der Tage im Zinsberechnungszeitraum, dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des Datums des ersten oder letzten Tages des

Determination Period and (2) the number of Determination Dates (as specified in § 3 (1)) and (B) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in § 3 (1)) that would occur in one calendar year.

**"Determination Period"** means the period from (and including) a Determination Date to, (but excluding) the next Determination Date.]

**[if Actual/365 (Fixed) insert:** the actual number of days in the Calculation Period divided by 365.]

**[if Actual/360 insert:** the actual number of days in the Calculation Period divided by 360.]

**[if 30/360, 360/360 or Bond Basis:** the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month).]

**[if 30E/360 or Eurobond Basis insert:** the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the last day

Zinsberechnungszeitraums; fällt im Falle des letzten Zinsberechnungszeitraums der letzte Tag des Zinsberechnungszeitraums auf den letzten Tag im Monat Februar, so wird der Monat Februar nicht zu einem 30-Tage-Monat verlängert).]

of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered lengthened to a 30-day month).]

**§ 4 Rückzahlung**

[Im Fall von Schuldverschreibungen, die keine Raten-Schuldverschreibungen sind, ist die folgende Alternative 1 des § 4 Absatz (1) einzufügen:

(1) *Rückzahlung bei Endfälligkeit*

[Bei Schuldverschreibungen, die keine Raten-Schuldverschreibungen sind, gilt Folgendes: Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt, werden die Schuldverschreibungen zu ihrem Rückzahlungsbetrag am [im Fall eines festgelegten Endfälligkeitstages den Endfälligkeitstag einfügen] [im Fall eines Rückzahlungsmonats gilt Folgendes: in den [Rückzahlungsmonat einfügen] fallenden Zinszahlungstag] ("Endfälligkeitstag") zurückgezahlt. Der Rückzahlungsbetrag in Bezug auf jede Schuldverschreibung entspricht [falls die Schuldverschreibungen zu ihrem Nennbetrag zurückgezahlt werden, gilt Folgendes: dem Festgelegten Nennbetrag der Schuldverschreibungen] [ansonsten anderweitige Bestimmungen zur Berechnung des Rückzahlungsbetrages für den Festgelegten Nennbetrag einfügen].]

[Im Fall von Schuldverschreibungen, die Raten-Schuldverschreibungen sind, ist die folgende Alternative 2 des § 4 Absatz (1) einzufügen:

(1) *Rückzahlung bei Endfälligkeit*

Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt, werden die Schuldverschreibungen an dem/den nachstehenden Ratenzahlungstermin(en) zu der/den folgenden Rate(n) zurückgezahlt:

Ratenzahlungs-termin(e)	Raten (je Festgelegtem Nennbetrag)
[•]	[•]
[•]	[•]

[Im Fall von nicht-nachrangigen Schuldverschreibungen und Tier 2 nachrangigen Schuldverschreibungen, die einer

**§ 4 Redemption**

[In the case of all Notes other than Instalment Notes, insert the following alternative 1 of § 4 para (1):

(1) *Redemption at Maturity*

[In the case of Notes other than Instalment Notes the following applies: To the extent not previously redeemed in whole or in part, the Notes shall be redeemed at their Final Redemption Amount on [in the case of a specified Maturity Date insert such Maturity Date] [in the case of a Redemption Month the following applies: the Interest Payment Date falling in [insert Redemption Month]] ("Maturity Date"). The Final Redemption Amount in respect of each Note shall be [if the Notes are redeemed at their principal amount the following applies: its Specified Denomination] [otherwise insert relevant provisions for the calculation of the Final Redemption Amount per Specified Denomination is applicable].]

[In the case of Instalment Notes, insert the following alternative 2 of § 4 para (1):

(1) *Redemption at Maturity*

To the extent not previously redeemed in whole or in part, the Notes shall be redeemed on the Instalment Date(s) and in the Instalment Amount(s) set forth below:

Instalment Date(s)	Instalment Amounts (per Specified Denomination)
[•]	[•]
[•]	[•]

[In the case of unsubordinated Notes and Tier 2 subordinated Notes which are subject to redemption following the occurrence of a Gross

**Rückzahlung auf Grund des Eintritts eines Gross-up-Ereignisses unterliegen, sehen die Endgültigen Bedingungen vor, dass § 4 um die folgenden Absätze (2)(a) und (b) zu ergänzen ist:**

**(2) Rückzahlung nach Eintritt eines Gross-up-Ereignisses**

Sofern nach der Begebung der Schuldverschreibungen ein Gross-up-Ereignis eintritt, ist die Emittentin berechtigt, die Schuldverschreibungen jederzeit (insgesamt und nicht in Teilbeträgen) durch Bekanntmachung an die Anleihegläubiger gemäß § [12] unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen zu kündigen und zu ihrem [Festgelegten Nennbetrag] [zuzüglich bis zum Tag der Rückzahlung (ausschließlich) aufgelaufener Zinsen] [Vorzeitigen Rückzahlungsbetrag] zurückzuzahlen. Dabei gilt Folgendes:

- (a) Eine solche Rückzahlungsmitteilung darf nicht früher als 90 Tage vor dem Tag erfolgen, an dem die Emittentin erstmals verpflichtet wäre, Zusätzliche Beträge zu zahlen; und
- (b) vor Abgabe einer solchen Rückzahlungsmitteilung wird die Emittentin dem Fiscal Agent folgende Dokumente übergeben oder für deren Übergabe sorgen:
  - (i) eine von der Emittentin unterzeichnete Bescheinigung, die bestätigt, dass die Emittentin berechtigt ist, diese Rückzahlung durchzuführen, und in der die Tatsachen dargelegt sind, aus denen deutlich wird, dass die Bedingungen für das Recht der Emittentin auf Durchführung dieser Rückzahlung eingetreten sind; [und]
  - (ii) ein Gutachten eines angesehenen unabhängigen Rechtsberaters, aus dem hervorgeht, dass die Emittentin verpflichtet ist oder verpflichtet sein wird, die betreffenden Zusätzlichen Beträge als Folge der entsprechenden Änderung zu zahlen[.] [; und]

**[Im Falle von Tier 2 nachrangigen Schuldverschreibungen ist zusätzlich der folgende § 4 Absatz (2)(c) einzufügen:**

- (c) eine solche Rückzahlung erfolgt im Einklang mit § 10 Absatz 5a KWG.]

**up Event, the Final Terms provide that the following paragraphs (2)(a) and (b) shall be added to § 4:**

**(2) Redemption following a Gross up Event**

If at any time after the issuance of the Notes a Gross up Event occurs, the Issuer may call and redeem the Notes (in whole but not in part) at their [Specified Denomination] [plus accrued interest to but excluding the date of redemption] [Early Redemption Amount] at any time on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with § [12]. Provided that:

- (a) no such notice of redemption may be given earlier than 90 days prior to the earliest date on which the Issuer would be for the first time obliged to pay the Additional Amounts ; and
- (b) prior to the giving of any such notice of redemption, the Issuer will deliver or procure that there is delivered to the Fiscal Agent:
  - (i) a certificate signed by the Issuer stating that the Issuer is entitled to effect that redemption and setting out a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; [and]
  - (ii) an opinion of an independent legal advisor of recognised standing to the effect that the Issuer has or will become obliged to pay the Additional Amounts in question as a result of the relevant change or amendment[.] [; and]

**[In the case of Tier 2 subordinated Notes, insert the following § 4 para. (2)(c):**

- (c) such redemption is made in accordance with § 10 paragraph 5a of the German Banking Act (*Kreditwesengesetz*) 1

Ein "**Gross-up-Ereignis**" liegt vor, wenn die Emittentin verpflichtet ist oder verpflichtet sein wird, Zusätzliche Beträge gemäß § 6 zu zahlen, und die Emittentin diese Verpflichtung nicht abwenden kann, indem sie zumutbare Maßnahmen ergreift, die sie nach Treu und Glauben für angemessen hält.

**Die nachfolgende Alternative 1 des § 4 Absatz (3) ist nur für Tier 2 nachrangige Schuldverschreibungen anwendbar:**

[(3) Die Emittentin kann die Schuldverschreibungen nur gemäß [§ 4(2)(a)] zur vorzeitigen Rückzahlung kündigen. § 2 bleibt unberührt.

Die Kündigung der Schuldverschreibungen durch die Anleihegläubiger ist ausgeschlossen.]

**Die nachfolgenden Alternativen des § 4 Absatz (3) sind Gestaltungsvarianten zur Regelung einer Emittentenkündigung. Sie sind ausschließlich für nicht nachrangige Schuldverschreibungen und je nach Bedarf für § 4 der Emissionsbedingungen anwendbar.**

**[Alternative 2: Falls die Emittentin kein Recht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen, gilt Folgendes:**

(3) Die Emittentin ist nicht berechtigt[, außer nach Maßgabe von § 4(2),] die Schuldverschreibungen vor dem Endfälligkeitstag zurückzuzahlen.]

**[Alternative 3: Falls die Emittentin das Recht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen, gilt Folgendes:**

(3) *Vorzeitige Rückzahlung nach Wahl der Emittentin*

(a) Die Emittentin kann nach ordentlicher Kündigung gemäß Absatz (b) die Schuldverschreibungen [insgesamt oder teilweise / insgesamt jedoch nicht nur teilweise] am/an den Emittentenkündigungs-Rückzahlungstag(en) zum/zu den Emittentenkündigungs-Rückzahlungsbetrag/-beträgen, wie nachstehend angegeben, nebst etwaigen bis zum Emittentenkündigungs-Rückzahlungstag (ausschließlich) aufgelaufenen Zinsen, zurückzahlen. **[Bei Geltung eines Mindestrückzahlungsbetrages oder eines Höchstrückzahlungsbetrages einfügen:** Eine solche Rückzahlung muss in Höhe

Act (*Kreditwesengesetz*).]

A "**Gross up Event**" shall occur if the Issuer has or will become obliged to pay Additional Amounts pursuant to § 6 and that obligation cannot be avoided by the Issuer taking reasonable measures it (acting in good faith) deems appropriate.

**The following alternative 1 of § 4 para. (3) shall apply in the case of Tier 2 subordinated Notes only:**

[(3) Except as provided in [§ 4(2)(a)], the Issuer shall not be entitled to redeem the Notes prior to the Maturity Date. § 2 remains unaffected.

The right of termination of the Notes by the Noteholders shall be excluded.]

**The following alternatives of § 4 para. (3) are drafting alternatives to provide for early redemption at the option of the Issuer. They shall apply to § 4 of the Terms and Conditions, as required, in the case of unsubordinated Notes only.**

**[Alternative 2: If there is no right to early redemption of the Notes at the option of the Issuer, the following applies:**

(c) The Issuer is not entitled to call the Notes prior to the Maturity Date [, otherwise than provided in § 4(2).]

**[Alternative 3: If there is a right to early redemption of the Notes at the option of the Issuer, the following applies:**

(3) *Early Redemption at the Option of the Issuer*

(a) The Issuer may, upon notice given in accordance with paragraph (b), redeem the Notes [in whole or in part / in whole but not in part] at the Optional Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the Optional Redemption Date on the Optional Redemption Date(s). **[If Minimum Redemption Amount or Maximum Redemption Amount applies insert:** Any such redemption must be of a principal amount equal to [at least [insert Minimum Redemption Amount] [no more than [insert Maximum Redemption Amount].]

eines Nennbetrages von [mindestens **[Mindestrückzahlungsbetrag einfügen]** [höchstens **[Höchstrückzahlungsbetrag einfügen]**] erfolgen.]

Emittenten- kündigungs- Rückzahlungs- tag(e)	Emittenten- kündigungs- Rückzahlungs- betrag/-beträge	Optional Redemption Date(s)	Optional Redemption Amount(s)
[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]

**[Falls der Anleihegläubiger ein Recht hat, die Schuldverschreibungen vorzeitig zu kündigen, gilt Folgendes:** Der Emittentin steht dieses Recht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung bereits der Anleihegläubiger in Ausübung seines Rechtes nach § 4(4) verlangt hat.]

**[If Notes are subject to Early Redemption at the Option of the Noteholder the following applies:** The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Noteholder thereof of its option to require the redemption of such Note under § 4(4).]

(b) Die ordentliche Kündigung erfolgt durch Bekanntmachung der Emittentin an die Anleihegläubiger gemäß § [12] **[falls Emittentenkündigungs-Optionsausübungstag anwendbar ist, gilt Folgendes:** spätestens am **[Emittentenkündigungs-Optionsausübungstag einfügen]** (der "Emittentenkündigungs-Optionsausübungstag"). Diese Kündigung ist unwiderruflich und in ihr wird bestimmt:

(b) The appropriate notice is a notice given by the Issuer to the Noteholders in accordance with § [12] **[In the case of Call Option Exercise Date the following applies: no later than on the [insert Call Option Exercise Date] (the "Call Option Exercise Date")]**, which notice shall be irrevocable and shall specify:

- die zur Rückzahlung anstehende Serie von Schuldverschreibungen;
- ob die Serie insgesamt oder teilweise zurückgezahlt wird und, im Fall der teilweisen Rückzahlung, der Gesamtnennbetrag der zur Rückzahlung anstehenden Schuldverschreibungen;
- der Emittentenkündigungs-Rückzahlungstag, der nicht weniger als **[Mindestkündigungsfrist einfügen]** und nicht mehr als **[Höchstkündigungsfrist einfügen]** Tage nach dem [Tag der Kündigung durch die Emittentin gegenüber den Anleihegläubigern] [dem Emittentenkündigungs-Optionsausübungstag] liegen darf; und
- der Emittentenkündigungs-Rückzahlungsbetrag, zu dem die Schuldverschreibungen zurückgezahlt werden.

- the Series of Notes subject to redemption;
- whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Notes which are to be redeemed;
- the Optional Redemption Date, which shall be not less than **[insert Minimum Notice Period to Noteholders]** nor more than **[insert Maximum Notice to Noteholders]** days after the [date on which notice is given by the Issuer to the Noteholders] [the Call Option Exercise Date]; and
- the Optional Redemption Amount at which such Notes are to be redeemed.

[(c) Wenn die Schuldverschreibungen nur teilweise zurückgezahlt werden, werden die zurückzuzahlenden Schuldverschreibungen nach den Regeln des betreffenden Clearing Systems ausgewählt.]

[(d)] Die Emittentin wird jeder Börse, an der die Schuldverschreibungen notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, umgehend Mitteilung über die Kündigung machen.]

**[Im Fall eines anderen Rechtes der Emittentin entsprechende Bestimmungen einfügen.]**

**[•]**

Die nachfolgenden Alternativen des § 4 Absatz (4) sind Gestaltungsvarianten zur Regelung einer vorzeitigen Kündigung durch einen Anleihegläubiger. Sie sind nur im Falle von nicht nachrangigen Schuldverschreibungen und je nach Bedarf für § 4 der Emissionsbedingungen anwendbar

**[Alternative 1: Falls die Anleihegläubiger kein Recht haben, die vorzeitige Rückzahlung der Schuldverschreibungen zu verlangen, gilt Folgendes:**

(4) Die Anleihegläubiger sind **[im Fall von nicht nachrangigen Schuldverschreibungen gilt Folgendes:** außer in Fällen des § 8] nicht berechtigt, von der Emittentin eine vorzeitige Rückzahlung der Schuldverschreibungen zu verlangen.]

**[Alternative 2: Im Fall von nicht nachrangigen Schuldverschreibungen, falls die Anleihegläubiger das Recht haben, die vorzeitige Rückzahlung der Schuldverschreibungen zu verlangen gilt Folgendes:**

(4) *Vorzeitige Rückzahlung nach Wahl des Anleihegläubigers*

(a) Die Emittentin hat eine Schuldverschreibung nach Ausübung des entsprechenden Rechtes durch den Anleihegläubiger am/an den Anleihegläubigerkündigungs-Rückzahlungstag(en) zum/zu den Anleihegläubigerkündigungs-Rückzahlungsbetrag/-beträgen, wie nachstehend angegeben, nebst etwaigen bis zum Anleihegläubigerkündigungs-Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurückzuzahlen.

**Anleihe-  
gläubiger-  
kündigungs-  
Rückzahlungs-**

**Anleihe-  
gläubiger-  
kündigungs-  
Rückzahlungsbe**

[(c)] In the case of a partial redemption of Notes, Notes to be redeemed shall be selected in accordance with the rules of the relevant Clearing System.]

[(d)] The Issuer will inform, if required by such stock exchange on which the Notes are listed, such stock exchange, as soon as possible of such redemption.]

**[In the case of any other Issuer's option insert applicable provision.]**

**[•]**

The following alternatives of § 4 para. (4) are drafting alternatives to provide for early redemption at the option of a Noteholder. They shall apply to § 4 of the Terms and Conditions, as required, in the case of unsubordinated Notes only

**[Alternative 1: If there is no right to early redemption of the Notes at the option of the Noteholders, the following applies:**

(4) The Noteholders shall not be entitled to put the Notes for redemption **[in the case of Senior Notes the following applies:** otherwise than provided in § 8].]

**[Alternative 2: In the case of unsubordinated Notes, if there is a right to early redemption of the Notes at the option of the Noteholders, the following applies:**

(4) *Early Redemption at the Option of a Noteholder*

(a) The Issuer shall, at the option of the Noteholder, redeem such Note on the Put Redemption Date(s) at the Put Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the Put Redemption Date.

**Put  
Redemption  
Date(s)**

**Put  
Redemption  
Amount(s)**



**Rückzahlungs-  
tag(e)**                      **Rückzahlungsbe-  
trag (-beträge)**

[•]

[•]

[•]

[•]

[•]

[•]

[•]

[•]

Dem Anleihegläubiger steht das Recht zur vorzeitigen Rückzahlung nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung die Emittentin zuvor in Ausübung nach diesem § 4 verlangt hat.

The Noteholder may not exercise the option for Early Redemption in respect of any Note which is the subject of the prior exercise by the Issuer of its right to redeem such Note under this § 4.

- (b) Um dieses Recht auszuüben, hat der Anleihegläubiger nicht weniger als **[Mindestkündigungsfrist einfügen]** Tage und nicht mehr als **[Höchstkündigungsfrist einfügen]** Tage vor dem Anleihegläubigerkündigungs-Rückzahlungstag, an dem die Rückzahlung gemäß der Ausübungserklärung (wie nachstehend definiert) erfolgen soll, bei der bezeichneten Geschäftsstelle des Fiscal Agent während der normalen Geschäftszeiten eine ordnungsgemäß ausgefüllte Mitteilung zur vorzeitigen Rückzahlung ("**Ausübungserklärung**"), wie sie von der bezeichneten Geschäftsstelle des Fiscal Agent erhältlich ist, zu hinterlegen. **[Falls Anleihegläubigerkündigungs-Optionsausübungstag anwendbar ist, anwendbare Bestimmungen einfügen.]** Die Ausübungserklärung hat anzugeben: (i) den Nennbetrag der Schuldverschreibungen, für die das Recht ausgeübt wird und (ii) die Wertpapier-Kenn-Nummer dieser Schuldverschreibungen (soweit vergeben). Die Rückzahlung der Schuldverschreibungen, für welche das Recht ausgeübt worden ist, erfolgt nur gegen Lieferung der Schuldverschreibungen an die Emittentin oder zu deren Gunsten. Die Ausübung des Rechtes kann nicht widerrufen werden.]

- (b) In order to exercise the option, the Noteholder must, not less than **[insert Minimum Notice to Issuer]** nor more than **[insert Maximum Notice to Issuer]** days before the Put Redemption Date on which such redemption is required to be made as specified in the Put Notice (as defined below), submit during normal business hours at the specified office of the Fiscal Agent a duly completed early redemption notice ("**Put Notice**") in the form available from the specified office of the Fiscal Agent. **[If Put Option Exercise Date is applicable, insert applicable provisions.]** The Put Notice must specify (i) the principal amount of the Notes in respect of which such option is exercised, and (ii) the securities identification number of such Notes, if any. The Issuer shall only be required to redeem Notes in respect of which such option is exercised against delivery of such Notes to the Issuer or to its order. No option so exercised may be revoked or withdrawn.]

**[Im Fall eines anderen Rechtes der Anleihegläubiger entsprechende Bestimmungen in § 4 Absatz (4) einfügen.]**

**[In the case of any other Noteholder's option insert applicable provisions to § 4 para. (4).]**

[•]

[•]

**Der nachfolgende § 4 Absatz (5) regelt die Rückkaufmöglichkeit und ist nur für nicht nachrangige Schuldverschreibungen für den § 4 der Emissionsbedingungen anwendbar:**

**The following § 4 para. (5) provides for purchase by the Issuer and shall apply to § 4 of the Terms and Conditions in the case of unsubordinated Notes only:**

**[(5)] Rückkauf**

**[(5)] Purchase**

Die Emittentin kann jederzeit Schuldverschreibungen auf dem freien Markt oder anderweitig sowie zu jedem beliebigen

The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Such acquired Notes may be

Preis erwerben. Derartig erworbene Schuldverschreibungen können getilgt, gehalten oder wieder veräußert werden.

**Der folgende § 4 Absatz (6) ist zur Bestimmung des vorzeitigen Rückzahlungsbetrages bei Schuldverschreibungen anwendbar, die ein vorzeitiges Kündigungsrecht vorsehen:**

**[Im Falle von nicht nachrangigen Schuldverschreibungen gilt Folgendes:**

[(6)] Der "**Vorzeitige Rückzahlungsbetrag**" der Schuldverschreibungen ist [der Festgelegte Nennbetrag der Schuldverschreibungen] [zuzüglich bis zum Tag der Rückzahlung (ausschließlich) aufgelaufener Zinsen] [und aller ausstehenden Zinsrückstände] [der Amortisationsbetrag] [andere **Bestimmungen einfügen**].

**Handelt es sich bei den einer vorzeitigen Kündigung unterliegenden Schuldverschreibungen um Nullkupon-Schuldverschreibungen, ist § 4 Absatz (6) zur Regelung des Rückkaufs um die folgenden Absätze zu ergänzen:**

- (a) Vorbehaltlich der nachfolgenden Bestimmungen unter (b) ist der "**Amortisationsbetrag**" einer solchen Schuldverschreibung der vorgesehene Rückzahlungsbetrag einer solchen Schuldverschreibung am Endfälligkeitstag, abgezinst mit einem jährlichen Satz (als Prozentsatz ausgedrückt) in Höhe [der Emissionsrendite] [eines Satzes, der einem Amortisationsbetrag in Höhe des Ausgabepreises der Schuldverschreibungen entspräche, würden diese am Ausgabetag auf ihren Ausgabepreis abgezinst], auf Basis einer jährlichen Verzinsung bereits aufgelaufener Zinsen.
- (b) Wird der Vorzeitige Rückzahlungsbetrag, der im Hinblick auf eine solche Schuldverschreibung bei deren Rückzahlung gemäß § 4(2) [oder deren Fälligkeit gemäß § 8] zahlbar ist, nicht rechtzeitig gezahlt, so ist der für eine solche Schuldverschreibung fällige Vorzeitige Rückzahlungsbetrag der Amortisationsbetrag dieser Schuldverschreibung, wie vorstehend in (a) definiert, jedoch mit der Maßgabe, dass als Tag, an dem die Schuldverschreibung zur Rückzahlung fällig wird, der entsprechende Maßgebliche Tag anzusehen ist. Die Berechnung des Amortisationsbetrages in Übereinstimmung mit dieser Klausel wird bis zum Stichtag (§ 6) fortgeführt (sowohl vor als

cancelled, held or resold.

**The following § 4 para. (6) shall apply in the case of Notes which provide for an early redemption right for the purposes of determining the early redemption amount:**

**[In the case of senior Notes, the following applies:**

[(6)] The "**Early Redemption Amount**" of the Notes will be [the Specified Denomination of the Notes] [plus accrued interest to but excluding the date of redemption] [and all outstanding Arrears of Interest] [the Amortised Face Amount] [**insert other applicable provisions**].

**If the Notes subject to early redemption are Zero Coupon Notes, the following paragraphs shall be added to § 4 para. (6) to provide for early redemption:**

- (a) Subject to the provisions of sub-paragraph (b) below, the "**Amortised Face Amount**" of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to [the Amortisation Yield] [such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date] compounded annually.
- (b) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to § 4(2) [or upon it becoming due and payable as provided in § 8] is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (a) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (as well after as before judgment) until the Relevant Date (§ 6),

auch nach einem etwaigen Gerichtsurteil), es sei denn, der Stichtag fällt auf den, oder liegt nach dem Endfälligkeitstag; in letzterem Fall ist der fällige Betrag der Rückzahlungsbetrag dieser Schuldverschreibung am Endfälligkeitstag, zuzüglich gemäß § 3 aufgelaufener Zinsen.

Ist eine solche Rechnung für einen Zeitraum von weniger als einem Jahr aufzustellen, so liegt ihr der Zinstagequotient (§ 3) zu Grunde.]]

**[Im Fall von Schuldverschreibungen, deren Rückzahlung an einen strukturierten Satz geknüpft ist, sind die maßgeblichen Bestimmungen hier und in den anwendbaren Endgültigen Bedingungen einzufügen.]**

[•]

**[Im Fall von Schuldverschreibungen, deren Rückzahlung an einen Swap-Satz geknüpft ist, sind die maßgeblichen Bestimmungen hier und in den anwendbaren Endgültigen Bedingungen einzufügen.]**

[•]

**[Im Fall von Schuldverschreibungen, deren Rückzahlung aktienbezogen ist, sind die maßgeblichen Bestimmungen hier und in den anwendbaren Endgültigen Bedingungen einzufügen.]**

[•]

**[Im Fall von Schuldverschreibungen, deren Rückzahlung an einen Index geknüpft ist, sind die maßgeblichen Bestimmungen hier und in den anwendbaren Endgültigen Bedingungen einzufügen.]**

[•]

## **§ 5 Zahlungen**

(1)[(a)]*Zahlungen auf Kapital.* Zahlungen auf Kapital in bezug auf die Schuldverschreibungen erfolgen nach Maßgabe des nachstehenden Absatzes 2 an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.

**[Im Fall von Schuldverschreibungen, die keine Nullkupon-Schuldverschreibungen sind, den folgenden § 5 Absatz (1)(b) einfügen:**

(b) *Zahlung von Zinsen.* Die Zahlung von Zinsen auf Schuldverschreibungen erfolgt nach Maßgabe des nachstehenden Absatzes 2 an das Clearing System oder dessen Order zur

unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with interest accrued in accordance with § 3.

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction (§ 3).]]

**[In the case of Notes the redemption of which is linked to a structured rate, insert applicable provisions here and in the relevant Final Terms.]**

[•]

**[In the case of Notes the redemption of which is linked to a swap-rate, insert applicable provisions here and in the relevant Final Terms.]**

[•]

**[In the case of Notes the redemption of which is equity linked, insert applicable provisions here and in the relevant Final Terms.]**

[•]

**[In the case of Notes the redemption of which is linked to an index, insert applicable provisions here and in the relevant Final Terms.]**

[•]

## **§ 5 Payments**

(1)[(a)]*Payment of Principal.* Payment of principal in respect of Notes shall be made, subject to subparagraph (2) below, to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

**[In the case of Notes other than Zero Coupon Notes insert the following § 5 para. (1)(b):**

(b) *Payment of Interest.* Payment of interest on Notes shall be made, subject to subparagraph (2) below, to the Clearing System or to its order for credit to the accounts of the relevant

Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.

**[Im Fall von Zinszahlungen auf eine vorläufige Globalurkunde einfügen:** Die Zahlung von Zinsen auf Schuldverschreibungen, die durch die vorläufige Globalurkunde verbrieft sind, erfolgt darüber hinaus nach ordnungsgemäßer Bescheinigung gemäß § 1 Absatz 3(b).]

- (2) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Schuldverschreibungen in der frei handelbaren und konvertierbaren Währung, die am entsprechenden Fälligkeitstag die Währung des Staates der Festgelegten Währung ist. Sollte die Festgelegte Währung am Fälligkeitstag auf Grund gesetzlicher Vorschriften ersetzt worden sein, erfolgt die Zahlung in dieser durch das Gesetz vorgeschriebenen Währung. Sofern durch eine solche gesetzliche Änderung mehrere Währungen zur Auswahl stehen, wird die Emittentin nach billigem Ermessen eine Währung auswählen. Dies gilt auch, wenn eine Zahlung aus sonstigen Gründen in der Festgelegten Währung nicht möglich sein sollte.
- (3) *Erfüllung.* Die Emittentin wird durch Leistung der Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.
- (4) *Zahltag.* Fällt der Fälligkeitstag einer Zahlung in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahltag ist, dann hat der Anleihegläubiger keinen Anspruch auf Zahlung vor dem Zahltag, an dem die betreffende Zahlung gemäß der Geschäftstagekonvention zu erfolgen hat, am jeweiligen Geschäftsort. Der Anleihegläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen auf Grund einer etwaigen Anpassung zu verlangen.

Für diese Zwecke bezeichnet "**Zahltag**" einen Tag (außer einem Samstag oder Sonntag), an dem (i) das Clearing System und (ii) **[falls die Festgelegte Währung nicht Euro ist, einfügen:** [Geschäftsbanken und Devisenmärkte in **[sämtliche relevanten Finanzzentren einfügen]]**[dem Hauptfinanzzentrum des Landes der Festgelegten Währung] Zahlungen abwickeln] **[falls die Festgelegte Währung Euro ist, einfügen:** das Trans-European Automated Real-time Gross settlement Express Transfer (TARGET) System Zahlungen abwickelt].[•]

account holders of the Clearing System.

**[In the case of interest payable on a Temporary Global Note insert:** Payment of interest on Notes represented by the Temporary Global Note shall only be made upon due certification as provided in § 1(3)(b).]

- (2) Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the freely negotiable and convertible currency which on the respective due date is the currency of the country of the Specified Currency. Should the Specified Currency have been replaced on the due date under any applicable legal provision, payments shall be made in such legally prescribed currency. If, as a result of such legal changes, there are several currencies to choose from, the Issuer shall choose a currency in its reasonable discretion. This shall also apply if payment in the Specified Currency is not possible for any other reason.
- (3) *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Clearing System.
- (4) *Payment Business Day.* If the due date for payment of any amount in respect of any Note is not a Payment Business Day then the Noteholder shall not be entitled to payment until such day, on which the relevant payment has to be made in accordance with the Business Day Convention in the relevant place and shall not be entitled to further interest or other payment in respect of a potential adjustment.

For these purposes, "**Payment Business Day**" means a day which is a day (other than a Saturday or a Sunday) on which both (i) the Clearing System, and (ii) **[if the Specified Currency is not euro insert:** [commercial banks and foreign exchange markets in **[insert all relevant Financial Centres]]**[in the principal financial centre of the country of the Specified Currency] **[if the Specified Currency is euro insert:** the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET) System] settle(s) payments. [•]

- (5) *Bezugnahmen auf Kapital* **[falls vorzeitige Rückzahlung aus steuerlichen Gründen anwendbar ist einfügen:** und Zinsen]. Bezugnahmen in diesen Emissionsbedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Rückzahlungsbetrag der Schuldverschreibungen; **[falls bei anderen als Tier 3 nachrangigen Schuldverschreibungen vorzeitige Rückzahlung aus steuerlichen Gründen anwendbar ist, einfügen]:** den vorzeitigen Rückzahlungsbetrag der Schuldverschreibungen; **[falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen aus anderen als steuerlichen Gründen vorzeitig zurückzahlen, einfügen:** den Wahl-Rückzahlungsbetrag (Call) der Schuldverschreibungen;] **[falls der Anleihegläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, einfügen:** den Wahl-Rückzahlungsbetrag (Put) der Schuldverschreibungen;] sowie jeden Aufschlag sowie sonstige auf oder in bezug auf die Schuldverschreibungen zahlbaren Beträge. **[Falls vorzeitige Rückzahlung aus steuerlichen Gründen anwendbar ist einfügen:** Bezugnahmen in diesen Emissionsbedingungen auf Zinsen auf die Schuldverschreibungen sollen, soweit anwendbar, sämtliche gemäß § 7 zahlbaren zusätzlichen Beträge einschließen.]
- (5) *References to Principal* **[if Early Redemption for Taxation Reasons applies insert:** and Interest]. References in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: the Final Redemption Amount of the Notes; **[if Early Redemption for taxation reasons applies (not applicable to Tier 3 Subordinated Notes) insert:** the Early Redemption Amount of the Notes;] **[if the Notes are redeemable at the option of the Issuer for other than tax reasons insert:** the Call Redemption Amount of the Notes;] **[if the Notes are redeemable at the option of the Noteholder insert:** the Put Redemption Amount of the Notes;] and any premium and any other amounts which may be payable under or in respect of the Notes. **[If Early Redemption for Taxation Reasons applies insert:** References in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 7.]
- (6) *Hinterlegung von Kapital und Zinsen.* Die Emittentin ist berechtigt, beim Amtsgericht **[•]** Zins- oder Kapitalbeträge zu hinterlegen, die von den Anleihegläubigern nicht innerhalb von zwölf Monaten nach dem Fälligkeitstag beansprucht worden sind, auch wenn die Anleihegläubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt, und auf das Recht der Rücknahme verzichtet wird, erlöschen die jeweiligen Ansprüche der Anleihegläubiger gegen die Emittentin.
- (6) *Deposit of Principal and Interest.* The Issuer may deposit with the *Amtsgericht* in **[•]** principal or interest not claimed by Noteholders within twelve months after the due date, even though such Noteholders may not be in default of acceptance of payment. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Noteholders against the Issuer shall cease.
- § 6 Der Fiscal Agent [und] [,] [die Berechnungsstelle] [und die Zahlstellen]**
- § 6 The Fiscal Agent [and] [,] [The Calculation Agent] [and the Paying Agents]**
- (1) *Bestellung; bezeichnete Geschäftsstelle.* Der Fiscal Agent [, die Hauptzahlstelle] [, die weiteren Zahlstellen] [ und die Berechnungsstelle] sind nachstehend mit den benannten anfänglichen Geschäftsstellen aufgeführt:
- (1) *Appointment; Specified Office* The initial Fiscal Agent [, the Principal Paying Agent] [, the further Paying Agents] [and the Calculation Agent] and [its] [their] initial specified office[s] shall be:

[Fiscal Agent: [●]

[Hauptzahlstelle: [●]

[Zahlstelle(n): [●]

[Berechnungs-  
stelle: [●]

Der Fiscal Agent [, die Hauptzahlstelle] [, die weiteren Zahlstellen] [und die Berechnungsstelle] [behält] [behalten] sich das Recht vor, jederzeit [seine] [ihre] bezeichnete[n] Geschäftsstelle[n] durch eine andere bezeichnete Geschäftsstelle in derselben Stadt zu ersetzen. Die Bezeichnungen "**Zahlstellen**" und "**Zahlstelle**" schließt, soweit der Zusammenhang nichts anderes verlangt, die Hauptzahlstelle ein.

- (2) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, die Ernennung des Fiscal Agent, der Hauptzahlstelle, der Zahlstellen [und eine Berechnungsstelle] jederzeit anders zu regeln oder zu beenden und einen anderen Fiscal Agent oder zusätzliche oder andere zu ernennen. Sie wird sicherstellen, dass jederzeit (i) ein Fiscal Agent [und eine Berechnungsstelle], [(ii) eine Zahlstelle (die die Hauptzahlstelle sein kann) mit einer Geschäftsstelle in einer Stadt auf dem europäischen Festland,] [(iii) eine Zahlstelle mit einer Geschäftsstelle außerhalb der Europäischen Gemeinschaft,] [(iv) eine Zahlstelle in einem Mitgliedsstaat der Europäischen Union, sofern dies in irgendeinem Mitgliedsstaat der Europäischen Union möglich ist, die nicht gemäß der Richtlinie 2003/48/EG des Rates oder einer anderen die Ergebnisse des Ministerrattreffens der Finanzminister der Europäischen Union vom 3. Juni 2003 umsetzenden Richtlinie der Europäischen Union bezüglich der Besteuerung von Kapitaleinkünften oder gemäß eines Gesetzes, das eine solche Umsetzung bezweckt, zur Einbehaltung oder zum Abzug von Quellensteuern oder sonstigen Abzügen verpflichtet ist,] [und] [(v) so lange die Schuldverschreibungen an einer Börse notiert werden, eine Zahlstelle (die die Hauptzahlstelle sein kann) mit einer benannten Geschäftsstelle an dem von der betreffenden Börse vorgeschriebenen Ort] bestimmt ist.

Die Emittentin wird eine Änderung, Abberufung, Bestellung oder einen sonstigen Wechsel unverzüglich gemäß § [12] bekannt machen.

[Fiscal Agent: [●]

[Principal Paying Agent: [●]

[Paying Agent(s): [●]

[Calculation Agent: [●]

The Fiscal Agent [, the Principal Paying Agent] [, the further Paying Agents] [and the Calculation Agent] reserve[s] the right at any time to change [its] [their] specified office[s] to some other specified office in the same city. The terms "**Paying Agents**" and "**Paying Agent**" shall include the Principal Paying Agent, unless the context requires otherwise.

- (2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, the Principal Paying Agent, and any Paying Agent [and a Calculation Agent] and to appoint another Fiscal Agent or additional or other Paying Agents provided that it will at all times maintain (i) a Fiscal Agent [and a Calculation Agent], [(ii) a Paying Agent (which may be the Principal Paying Agent) with a specified office in a continental European city,] [(iii) a Paying Agent with a specified office outside the European Union,] [(iv) a Paying Agent in an EU member state, if any, that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 3 June 2003 on the taxation of savings income or any law implementing or complying with, or introduced to conform to, such Directive,] [and] [(v) so long as the Notes are listed on a stock exchange, a Paying Agent (which may be the Principal Paying Agent) with a specified office in such city as may be required by the rules of the relevant stock exchange].

The Issuer shall without undue delay notify the Noteholders of any variation, termination, appointment or change in accordance with § [12].

- |   |   |
|---|---|
| <p>(3) <i>Beauftragte der Emittentin.</i> Der Fiscal Agent [und die Berechnungsstelle] [handelt] [handeln] ausschließlich als Beauftragte[r] der Emittentin und [übernimmt] [übernehmen] keinerlei Verpflichtungen gegenüber den Anleihegläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen [ihm] [ihnen] und den Anleihegläubigern begründet.</p> | <p>(3) <i>Agent of the Issuer.</i> The Fiscal Agent [and the Calculation Agent] act[s] solely as the agent[s] of the Issuer and [does] [do] not assume any obligations towards or relationship of agency or trust for any Noteholder.</p> |
|---|---|

**§ 7**

**Steuern**

**§ 7**

**Taxation**

**[Im Fall von Schuldverschreibungen, für die zusätzlichen Beträge gezahlt werden sollen, sind die folgenden Bestimmungen in § 7 einzufügen:**

**[In the case of Notes for which the gross up provision shall apply insert the following provisions into § 7:**

Sämtliche Zahlungen von Kapital und Zinsen in Bezug auf die Schuldverschreibungen werden ohne Einbehalt oder Abzug von Steuern, Abgaben, Festsetzungen oder behördlicher Gebühren jedweder Art geleistet, die von der Bundesrepublik Deutschland oder einer ihrer Gebietskörperschaften oder Behörden mit der Befugnis zur Erhebung von Steuern auferlegt, erhoben, eingezogen, einbehalten oder festgesetzt werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In einem solchen Fall wird die Emittentin zusätzliche Beträge (die "**Zusätzlichen Beträge**") zahlen, so dass die Anleihegläubiger die Beträge erhalten, die sie ohne Einbehalt oder Abzug erhalten hätten. Diese zusätzlichen Beträge sind jedoch nicht in Bezug auf Schuldverschreibungen fällig, die:

All payments of principal and interest in respect of the Notes will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Federal Republic of Germany (as the case may be) or any political subdivision or any authority of the Federal Republic of Germany (as the case may be) that has power to tax, unless that withholding or deduction is required by law. In that event, the Issuer will pay such additional amounts the "**Additional Amounts**") as they would have received if no such withholding or deduction had been required, except that no additional amounts will be payable in respect of any Note if it is presented for payment:

- |  |  |
|--|--|
| <p>(a) von einem Anleihegläubiger oder in dessen Namen zur Zahlung vorgelegt werden, der solchen Steuern, Abgaben, Festsetzungen oder behördlichen Gebühren in Bezug auf diese Schuldverschreibungen dadurch unterliegt, dass er eine Verbindung zu der Bundesrepublik Deutschland hat, die nicht nur aus der bloßen Inhaberschaft der Schuldverschreibungen besteht; oder</p> | <p>(a) by or on behalf of a Noteholder which is liable to such taxes, duties, assessments or governmental charges in respect of that Note by reason of its having some connection with the Federal Republic of Germany (as the case may be) other than the mere holding of that Note; or</p> |
| <p>(b) von einem Anleihegläubiger oder in dessen Namen zur Zahlung vorgelegt werden, obwohl er solchen Einbehalt oder Abzug durch Vorlage eines Formulars oder einer Urkunde und/oder durch Abgabe einer Nichtansässigkeitserklärung oder Inanspruchnahme einer vergleichbaren Ausnahme oder Geltendmachung eines Erstattungsanspruches hätte vermeiden können; oder</p>       | <p>(b) by or on behalf of a Noteholder which would be able to avoid such withholding or deduction by presenting any form or certificate and/or making a declaration of non-residence or similar claim for exemption or refund but fails to do so; or</p>                                     |
| <p>(c) später als 30 Tage nach dem Stichtag (wie nachstehend definiert) vorgelegt werden; oder</p>   | <p>(c) more than 30 days after the Relevant Date (as defined below); or</p>  |
| <p>(d) für den Fall von Einbehalten und Abzügen bei Zahlungen an Einzelpersonen, die gemäß der Richtlinie des Rates 2003/48/EG oder jeder anderen Richtlinie der Europäischen Union zur</p>  | <p>(d) where such deduction or withholding is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other</p>  |

Besteuerung privater Zinserträge erfolgen, die die Beschlüsse der ECOFIN Versammlung vom 3. Juni 2003 umsetzt oder auf Grund eines Gesetzes, das auf Grund dieser Richtlinie erlassen wurde, ihr entspricht oder eingeführt wurde, um einer solchen Richtlinie nachzukommen; oder

- (e) von einem Anleihegläubiger oder in dessen Namen zur Zahlung vorgelegt werden, der diesen Einbehalt oder Abzug durch Vorlage der Schuldverschreibung bei einer Zahlstelle in einem anderen Mitgliedstaat der Europäischen Union hätte vermeiden können.

In diesen Bedingungen ist der "**Stichtag**" entweder der Tag, an dem die betreffende Zahlung erstmals fällig wird, oder, falls nicht der gesamte fällige Betrag an oder vor diesem Fälligkeitstag bei dem Fiscal Agent eingegangen ist, der Tag, an dem, nach Erhalt des Gesamtbetrages, den Anleihegläubigern eine entsprechende Mitteilung in Übereinstimmung mit § [12] bekannt gemacht worden ist, wobei der später eintretende Tag maßgeblich ist.]

**[Im Fall von Schuldverschreibungen, für die keine zusätzlichen Beträge gezahlt werden sollen, und Tier 3 nachrangigen Schuldverschreibungen ist der folgende Absatz in § 7 einzufügen:**

Sämtliche Zahlungen von Kapital und Zinsen in Bezug auf die Schuldverschreibungen werden ohne Einbehalt oder Abzug von Steuern, Abgaben, Festsetzungen oder behördlicher Gebühren jedweder Art geleistet, die von der Bundesrepublik Deutschland oder einer ihrer Gebietskörperschaften oder Behörden mit der Befugnis zur Erhebung von Steuern auferlegt, erhoben, eingezogen, einbehalten oder festgesetzt werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben.]

#### **§ 8 Vorlegungsfrist**

Die Vorlegungsfrist gemäß § 801 Absatz 1 Satz 1 BGB für fällige Schuldverschreibungen wird auf zehn Jahre verkürzt. Die Verjährungsfrist für innerhalb der Vorlegungsfrist zur Zahlung vorgelegte Schuldverschreibungen beträgt zwei Jahre von dem Ende der betreffenden Vorlegungsfrist an.

**[Den folgenden § 9 nur im Fall von nicht nachrangigen Schuldverschreibungen einfügen:**

#### **§ 9 Kündigung**

- (1) *Kündigungsgründe.* Jeder Anleihegläubiger ist

European Union Directive implementing the conclusions of the ECOFIN Council meeting of 3 June 2003 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or

- (e) by or on behalf of a Noteholder which would have been able to avoid such withholding or deduction by presenting the Note to a Paying Agent in another Member State of the European Union.

In these Conditions, "**Relevant Date**" means whichever is the later of the date on which the payment in question first becomes due and, if the full amount payable has not been received by the Fiscal Agent on or prior to that due date, the date on which notice of receipt of the full amount has been given to the Noteholders in accordance with § [12].]

**[In the case of Notes for which the gross up provision shall not apply and Tier 3 Subordinated Notes insert the following provision into § 7:**

All payments of principal and interest in respect of the Notes will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Federal Republic of Germany (as the case may be) or any political subdivision or any authority of the Federal Republic of Germany (as the case may be) that has power to tax, unless that withholding or deduction is required by law.]

#### **§ 8 Presentation period**

The period for presentation of Notes due, as established in § 801 paragraph 1 sentence 1 of the German Civil Code (*Bürgerliches Gesetzbuch*), is reduced to ten years. The period for prescription for Notes presented for payment during the presentation period shall be two years beginning at the end of the relevant presentation period.

**[Insert § 9 only in the case of unsubordinated Notes:**

#### **§ 9 Events of Default**

- (1) *Events of default.* Each Noteholder shall be



berechtigt, seine Schuldverschreibung zu kündigen und deren sofortige Rückzahlung zu ihrem vorzeitigen Rückzahlungsbetrag (wie in § 4 beschrieben), zuzüglich etwaiger bis zum Tage der Rückzahlung aufgelaufener Zinsen zu verlangen, falls:

- (a) die Emittentin Beträge, die nach den Schuldverschreibungen zu leisten sind, nicht innerhalb von 30 Tagen nach dem betreffenden Fälligkeitstag zahlt; oder
- (b) die Emittentin die ordnungsgemäße Erfüllung irgendeiner anderen Verpflichtung aus den Schuldverschreibungen unterlässt und diese Unterlassung nicht geheilt werden kann oder, falls sie geheilt werden kann, länger als 30 Tage fort dauert, nachdem der Fiscal Agent hierüber eine Benachrichtigung von einem Anleihegläubiger erhalten hat; oder
- (c) die Emittentin die Zahlungen einstellt oder ihre Zahlungsunfähigkeit bekannt gibt, oder
- (d) ein Gericht ein Insolvenzverfahren gegen die Emittentin eröffnet und dieses Verfahren nicht innerhalb von 60 Tagen aufgehoben oder ausgesetzt worden ist oder die Emittentin oder die Bundesanstalt für Finanzdienstleistungsaufsicht ein solches Verfahren beantragt oder einleitet oder die Emittentin eine allgemeine Schuldenregelung zugunsten ihrer Gläubiger anbietet oder trifft, oder
- (e) die Emittentin in Liquidation tritt, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung, Konsolidierung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft oder im Zusammenhang mit einer Umwandlung und die andere oder neue Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin im Zusammenhang mit diesen Schuldverschreibungen eingegangen ist.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

- (2) *Bekanntmachung.* Eine Benachrichtigung, einschließlich einer Kündigung der Schuldverschreibungen gemäß vorstehendem Absatz 1 ist schriftlich in deutscher oder englischer Sprache gegenüber dem Fiscal Agent zu erklären und persönlich oder per Einschreiben an dessen bezeichnete Geschäftsstelle zu übermitteln. Der Benachrichtigung ist ein Nachweis beizufügen, aus dem sich ergibt, dass der betreffende Anleihegläubiger zum Zeitpunkt der Abgabe

entitled to declare his Notes due and demand immediate redemption thereof at the Early Redemption Amount (as described in § 4), together with accrued interest (if any) to the date of repayment, in the event that

- (a) the Issuer fails to pay any amount due under the Notes within 30 days from the relevant due date, or
- (b) the Issuer fails duly to perform any other obligation arising from the Notes which failure is not capable of remedy or, if such failure is capable of remedy, such failure continues for more than 30 days after the Fiscal Agent has received notice thereof from a Noteholder, or
- (c) the Issuer suspends payment or announces its inability to pay its debts, or
- (d) a court institutes insolvency proceedings against the Issuer, and such proceedings are not set aside or stayed within 60 days, or the Issuer or the Federal Financial Services Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht), respectively, applies for or institutes any such proceedings or the Issuer offers or makes a general arrangement for the benefit of its creditors, or
- (e) the Issuer goes into liquidation unless this is done in connection with a merger, consolidation or other form of combination with another company or in connection with a conversion and the other or new company assumes all obligations contracted by the Issuer in connection with the Notes.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

- (2) *Notice.* Any notice, including any notice declaring Notes due, in accordance with subparagraph (1) shall be made by means of a written declaration in the German or English language delivered by hand or registered mail to the specified office of the Fiscal Agent together with proof that such Noteholder at the time of such notice is a holder of the relevant Notes. The Notes shall be redeemed following receipt of the notice declaring Notes due.]

der Benachrichtigung Inhaber der betreffenden Schuldverschreibung ist. Die Schuldverschreibungen werden nach Zugang der Kündigung zur Rückzahlung fällig.]

**[Den folgenden § 10 nur im Fall von anderen als Tier 3 nachrangigen Schuldverschreibungen einfügen:**

**[Insert the following § 10 only in the case of Notes other than Tier 3 Subordinated Notes:**

**§ [10]**

**Ersetzung**

**§ [10]**

**Substitutio**

**n**

(1) *Ersetzung.* Die Emittentin ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen auf die Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Anleihegläubiger ein mit ihr verbundenes Unternehmen (wie unten definiert) an ihrer Stelle als Hauptschuldnerin (die "**Nachfolgeschuldnerin**") für alle Verpflichtungen aus und im Zusammenhang mit dieser Emission einzusetzen, vorausgesetzt, dass:

(a) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin in Bezug auf die Schuldverschreibungen übernimmt;

(b) die Nachfolgeschuldnerin alle erforderlichen Genehmigungen und Erlaubnisse erhalten hat und berechtigt ist, an den Fiscal Agent die zur Erfüllung der Zahlungsverpflichtungen aus den Schuldverschreibungen zahlbaren Beträge in der hierin festgelegten Währung zu zahlen, ohne verpflichtet zu sein, jeweils in dem Land, in dem die Nachfolgeschuldnerin oder die Emittentin ihren Sitz oder Steuersitz haben, erhobene Steuern oder andere Abgaben jeder Art abzuziehen oder einzubehalten;

(c) die Nachfolgeschuldnerin sich verpflichtet hat, jeden Anleihegläubiger hinsichtlich solcher Steuern, Abgaben oder behördlichen Lasten freizustellen, die einem Anleihegläubiger bezüglich der Ersetzung auferlegt werden;

(d) **[Im Fall von nicht nachrangigen Schuldverschreibungen einfügen:** die Emittentin unwiderruflich und unbedingt gegenüber den Anleihegläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge zu Bedingungen garantiert, die sicherstellen, dass jeder Anleihegläubiger wirtschaftlich mindestens so gestellt wird, wie er ohne eine Ersetzung stehen würde.]

**[Im Fall von Tier 2 nachrangigen Schuldverschreibungen einfügen:** hinsichtlich der von der Nachfolgeschuldnerin

(1) *Substitution.* The Issuer may, without the consent of the Noteholders, if it is not in default with any payment of principal of or interest on any of the Notes, at any time substitute for the Issuer any Affiliate (as defined below) of the Issuer as principal debtor (the "**Substitute Debtor**") in respect of all obligations arising from or in connection with this issue provided that:

(a) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes;

(b) the Substitute Debtor has obtained all necessary authorizations and approvals and may transfer to the Fiscal Agent in the currency required hereunder and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes;

(c) the Substitute Debtor has agreed to indemnify and hold harmless each Noteholder against any tax, duty, assessment or governmental charge imposed on such Noteholder in respect of such substitution;

(d) **[In the case of unsubordinated Notes insert:** the Issuer irrevocably and unconditionally guarantees in favour of each Noteholder the payment of all sums payable by the Substitute Debtor in respect of the Notes on terms which ensure that each Noteholder will be put in an economic position that is at least as favourable as that which would have existed if the substitution had not taken place.]

**[In the case of Tier 2 Subordinated Notes insert:** the obligations assumed by the Substitute Debtor in respect of the Notes are

bezüglich der Schuldverschreibungen übernommenen Verpflichtungen der Nachrang zu mit den Bedingungen der Schuldverschreibungen übereinstimmenden Bedingungen begründet wird und (i) die Nachfolgeschuldnerin ein Tochterunternehmen der Emittentin im Sinne der §§ 1 Absatz 7 und 10 Absatz 5a Satz 11 des Kreditwesengesetzes ist, (ii) die Nachfolgeschuldnerin eine Einlage in Höhe eines Betrages, der dem Gesamtnennbetrag der Schuldverschreibungen entspricht, bei der Emittentin vornimmt und zwar zu Bedingungen, die den Emissionsbedingungen (einschließlich hinsichtlich der Nachrangigkeit) entsprechen, und (iii) die Emittentin unwiderruflich und unbedingte gegenüber den Anleihegläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge zu Bedingungen garantiert, die sicherstellen, dass jeder Anleihegläubiger wirtschaftlich mindestens so gestellt wird, wie er ohne eine Ersetzung stehen würde.]

subordinated on terms identical to the terms of the Notes and (i) the Substitute Debtor is a subsidiary (*Tochterunternehmen*) of the Issuer within the meaning of § 1(7) and § 10(5a) sentence 11 of the German Banking Act, (ii) the Substitute Debtor deposits an amount which is equal to the Actual Aggregate Principal Amount of the Notes with the Issuer on terms equivalent, including in respect of subordination, to the terms and conditions of the Notes, and (iii) the Issuer irrevocably and unconditionally guarantees in favour of the Noteholders the payment of all sums payable by the Substitute Debtor in respect of the Notes on terms that are at least as favourable as those which would have existed if the substitution had not taken place.]

Für die Zwecke dieses § [10] bedeutet "**verbundenes Unternehmen**" ein verbundenes Unternehmen im Sinne von § 15 Aktiengesetz.

For purposes of this § [10], "**Affiliate**" shall mean any affiliated company (verbundenes Unternehmen) within the meaning of § 15 German Stock Corporation Act (Aktiengesetz).

(2) *Bekanntmachung.* Jede Ersetzung ist gemäß § [12] unverzüglich bekanntzumachen.

(2) *Notice.* Notice of any such substitution shall be published in accordance with § [12] without delay.

(3) *Änderung von Bezugnahmen.* Im Fall einer Ersetzung gilt jede Bezugnahme in diesen Emissionsbedingungen auf die Emittentin ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgeschuldnerin und jede Bezugnahme auf das Land, in dem die Emittentin ihren Sitz oder Steuersitz hat, gilt ab diesem Zeitpunkt als Bezugnahme auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat. Des weiteren gilt im Fall einer Ersetzung folgendes:

(3) *Change of References.* In the event of any such substitution, any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the country in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Debtor. Furthermore, in the event of such substitution the following shall apply:

**[Im Fall von nicht nachrangigen Schuldverschreibungen die folgenden Absätze (a)-(c) einfügen:**

**[In the case of unsubordinated Notes insert the following paras. (a)-(c):**

(a) in § 7 [falls vorzeitige Rückzahlung aus steuerlichen Gründen anwendbar ist, einfügen: und § 4 Absatz 2] gilt eine alternative Bezugnahme auf die Bundesrepublik Deutschland als aufgenommen (zusätzlich zu der Bezugnahme nach Maßgabe des vorstehenden Satzes auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat);

(a) in § 7 [If Early Redemption for Taxation Reasons applies insert: and § 4(2)] an alternative reference to the Federal Republic of Germany shall be deemed to have been included in addition to the reference according to the preceding sentence to the country of domicile or residence for taxation purposes of the Substitute Debtor;

(b) in § 9 Absatz 1(c) bis (e) gilt eine alternative

(b) in § 9 (1) (c) to (e) an alternative reference to

Bezugnahme auf die Emittentin in ihrer Eigenschaft als Garantin als aufgenommen (zusätzlich zu der Bezugnahme auf die Nachfolgeschuldnerin); und

- (c) in § 9 Absatz 1 gilt ein weiterer Kündigungsgrund als aufgenommen, der dann besteht, wenn die Garantie gemäß Absatz 1 (d) aus irgendeinem Grund nicht mehr gilt.]

**[Im Fall von nachrangigen Schuldverschreibungen den folgenden Absatz einfügen:**

In § 7 [falls vorzeitige Rückzahlung aus steuerlichen Gründen anwendbar ist, einfügen: und § 4 Absatz 2] gilt eine alternative Bezugnahme auf die Bundesrepublik Deutschland als aufgenommen (zusätzlich zu der Bezugnahme nach Maßgabe des vorstehenden Satzes auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat).]

**§ [11] Begebung weiterer Schuldverschreibungen, Ankauf und Entwertung**

- (1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin behält sich das Recht vor, ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme der ersten Zinszahlung) wie die vorliegenden Schuldverschreibungen zu begeben, so dass sie mit diesen eine Einheit bilden. Der Begriff "**Schuldverschreibungen**" umfasst im Fall einer solchen weiteren Begebung auch solche zusätzlich begebenen Schuldverschreibungen.
- (2) *Ankauf.* Die Emittentin ist [im Falle von nachrangigen Schuldverschreibungen einfügen: vorbehaltlich der Regelung des § 2] berechtigt, jederzeit Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei dem Fiscal Agent zwecks Entwertung eingereicht werden. Sofern diese Käufe durch öffentliches Angebot erfolgen, muss dieses Angebot allen Anleihegläubigern gemacht werden.
- (3) *Entwertung.* Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

**§ [12] Mitteilungen**

- (1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden

the Issuer in its capacity as guarantor shall be deemed to have been included in addition to the reference to the Substitute Debtor; and

- (c) in § 9 (1) a further event of default shall be deemed to have been included; such event of default shall exist in the case that the guarantee pursuant to subparagraph 1(d) is or becomes invalid for any reason.]

**[In the case of subordinated Notes insert the following para.:**

In § 7 [if Early Redemption for Taxation Reasons applies insert: and § 4 (2)] an alternative reference to the Federal Republic of Germany shall be deemed to have been included in addition to the reference according to the preceding sentence to the country of domicile or residence for taxation purposes of the Substitute Debtor.]]

**§ [11] Further Issues, Purchases and Cancellation**

- (1) *Further Issues.* The Issuer reserves the right from time to time, without the consent of the Noteholders to issue additional notes with identical terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest, if any, on them) so as to be consolidated and form a single series with such Notes. The term "**Notes**" shall, in the event of such further issue, also comprise such further notes.
- (2) *Purchases.* The Issuer may [in the case of subordinated Notes: subject to the provisions of § 2] at any time purchase Notes in the open market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Fiscal Agent for cancellation. If purchases are made by tender, tenders for such Notes must be made available to all Noteholders of such Notes alike.
- (3) *Cancellation.* All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

**§ [12] Notices**

- (1) *Publication.* Notices to Noteholders relating to the Notes will be published in a leading

Bekanntmachungen werden in einem überregionalen Pflichtblatt der Wertpapierbörse veröffentlicht, an der die Schuldverschreibungen zum Börsenhandel zugelassen sind und immer gemäß den Bestimmungen der jeweiligen Börsen, an denen die Schuldverschreibungen notiert sind. Die Emittentin wird sicherstellen, dass alle Bekanntmachungen ordnungsgemäß in Übereinstimmung mit den Erfordernissen der zuständigen Stellen der jeweiligen Börsen, an denen die Schuldverschreibungen notiert sind, erfolgen. **[Im Falle einer Notierung an der Börse Düsseldorf einfügen:** Für die Dauer der Notierung der Schuldverschreibungen an der Börse Düsseldorf und soweit deren Regelwerk dies verlangt, werden Mitteilungen an die Anleihegläubiger in mindestens einem überregionalen Börsenpflichtblatt der Börse Düsseldorf (voraussichtlich in der *Börsen-Zeitung*) veröffentlicht werden.] **[Im Falle einer Notierung an der Luxemburger Börse einfügen:** Für die Dauer der Notierung der Schuldverschreibungen an der Luxemburger Börse und soweit deren Regelwerk dies verlangt werden Mitteilungen an die Anleihegläubiger in einer in Luxemburg erscheinenden Tageszeitung mit allgemeiner Verbreitung veröffentlicht (voraussichtlich im *d'Wort*).] Jede derartige Bekanntmachung gilt mit dem Tage der ersten Veröffentlichung als wirksam erfolgt.

newspaper having general circulation and being a newspaper for statutory stock market notices of the Stock Exchange on which the Notes are listed, and in any case in accordance with the rules of each stock exchange on which the Notes are listed. The Issuer shall also ensure that notices are duly published in compliance with the requirements of the relevant authority of each stock exchange on which the Notes are listed. **[in the case of listing at the Düsseldorf Stock Exchange insert:** So long as the Notes are listed on the Düsseldorf Stock Exchange and the rules of the Düsseldorf Stock Exchange so require, notices to the Noteholders shall be published in at least one national newspaper recognised (*überregionales Börsenpflichtblatt*) by the Düsseldorf Stock Exchange (expected to be the *Börsen-Zeitung*).] **[in the case of listing at the Luxembourg Stock Exchange insert:** So long as the Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, notices to the Noteholders shall be published in a daily newspaper with general circulation in Luxembourg (which is expected to be the *d'Wort*).] Any notice so given will be deemed to have been validly given on the date of first such publication.

**[(2)]** *Mitteilungen an das Clearing System.*

Die Emittentin ist berechtigt, eine Zeitungsveröffentlichung nach § [12] Absatz (1) durch eine Mitteilung an das Clearing System zur Weiterleitung an die Anleihegläubiger zu ersetzen, vorausgesetzt, dass in Fällen, in denen die Schuldverschreibungen an einer Börse notiert sind, die Regeln dieser Börse diese Form der Mitteilung zulassen. Jede derartige Mitteilung gilt am [●●] Tag nach dem Tag der Mitteilung an das Clearing System als den Anleihegläubigern mitgeteilt.

**[(2)]** *Notification to Clearing System.*

The Issuer may, in lieu of publication in the newspapers set forth in § [12] (1) above, deliver the relevant notice to the Clearing System, for communication by the Clearing System to the Noteholders, provided that, so long as any Notes are listed on any stock exchange, the rules of such stock exchange permit such form of notice. Any such notice shall be deemed to have been given to the Noteholders on the [●●] day after the day on which the said notice was given to the Clearing System.

**§ [13] Anwendbares Recht, Gerichtsstand und gerichtliche Geltendmachung**

- (1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie alle sich daraus ergebenden Rechte und Pflichten bestimmen sich ausschließlich nach dem Recht der Bundesrepublik Deutschland.
- (2) *Gerichtsstand.* Nicht-ausschließlicher Gerichtsstand für alle sich aus den in diesen Bedingungen geregelten Rechtsverhältnissen

**§ [13] Applicable Law, Place of Jurisdiction and Enforcement**

- (1) *Applicable Law.* The form and content of the Notes as well as all the rights and duties arising therefrom are governed exclusively by the laws of the Federal Republic of Germany
- (2) *Submission to Jurisdiction.* Non-exclusive court of venue for all litigation with the Issuer arising from the legal relations established in these

ergebenden Rechtsstreitigkeiten mit der Emittentin ist [●]. Erfüllungsort ist [●]. Die Zuständigkeit des vorgenannten Gerichts ist ausschließlich, soweit es sich um Rechtsstreitigkeiten handelt, die von Kaufleuten, juristischen Personen des öffentlichen Rechts, öffentlich-rechtlichen Sondervermögen und Personen ohne allgemeinen Gerichtsstand in der Bundesrepublik Deutschland angestrengt werden.

- (3) *Kraftloserklärung.* Die Gerichte der Bundesrepublik Deutschland sind ausschließlich zuständig für die Kraftloserklärung abhanden gekommener oder vernichteter Schuldverschreibungen.

#### § [14] Sprache

Diese Bedingungen sind in [englischer] [deutscher] Sprache abgefasst. Eine Übersetzung in die [deutsche] [englische] Sprache ist beigefügt. Der [englische] [deutsche] Text ist bindend und maßgeblich. Die Übersetzung in die [deutsche] [englische] Sprache ist unverbindlich.

Conditions is [●]. Place of performance is [●]. The jurisdiction of such Court shall be exclusive if Proceedings are brought by merchants (*Kaufleute*), legal persons under public law (*juristische Personen des öffentlichen Rechts*), special funds under public law (*öffentlich-rechtliche Sondervermögen*) and persons not subject to the general jurisdiction of the courts of the Federal Republic of Germany (*Personen ohne allgemeinen Gerichtsstand in der Bundesrepublik Deutschland*).

- (3) *Annulment.* The courts in the Federal Republic of Germany shall have exclusive jurisdiction over the annulment of lost or destroyed Notes.

#### § [14] Language

These Conditions are written in the [English] [German] language and provided with a [German] [English] language translation. The [English] [German] text shall be prevailing and binding. The [German] [English] language translation is provided for convenience only.

## Schedule 2: Bearer Pfandbriefe

### Inhaberpfandbriefe

The Terms and Conditions set forth below, as amended by the Final Terms, will apply to the Pfandbriefe to be issued under the Programme. Conditions which need to be completed, as indicated by a placeholder, and specified drafting alternatives will be determined by the Final Terms relating to the relevant issue of Pfandbriefe.

Auf die unter dem Angebotsprogramm zu begebenden Pfandbriefe kommen die nachfolgend abgedruckten, jeweils durch die Endgültigen Bedingungen angepassten Emissionsbedingungen zur Anwendung. Durch einen Platzhalter gekennzeichnete ausfüllungsbedürftige Bedingungen sowie vorgegebene Gestaltungsalternativen werden durch die Endgültigen Bedingungen für die jeweilige Emission von Pfandbriefen festgelegt.

#### § 1 Währung, Stückelung, Form, Definitionen

(1) *Währung; Stückelung.* Diese Tranche der **[im Fall von Hypothekendarfandbriefen einfügen: Hypothekendarfandbriefe] [im Fall von Öffentlichen Darfandbriefen einfügen: Öffentlichen Darfandbriefe]** (die "**Pdarfandbriefe**") der WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, Münster (die "**Emittentin**") wird in **[Festgelegte Währung einfügen]** (die "**Festgelegte Währung**") im Gesamtnennbetrag von **[Gesamtnennbetrag einfügen]** (in Worten: **[Gesamtnennbetrag in Worten einfügen]**) (der "**Gesamtnennbetrag**") begeben, eingeteilt in Darfandbriefe im festgelegten Nennbetrag von je **[Festgelegten Nennbetrag einfügen]** (der "**Festgelegte Nennbetrag**").

(2) *Form.* Die Darfandbriefe lauten auf den Inhaber.

(3) *Globalurkunden.* Die Darfandbriefe sind [in einer Dauer-Globalurkunde ("**Dauer-Globalurkunde**")] [zunächst in einer vorläufigen Inhaber-Globalurkunde ("**Vorläufige Globalurkunde**")] ohne Zinsscheine verbrieft. Die [Dauer-Globalurkunde trägt] [Vorläufige Globalurkunde und die Dauer-Globalurkunde tragen jeweils] die eigenhändigen oder faksimilierten Unterschriften von zwei Vertretungsberechtigten der Emittentin [sowie die eigenhändige Unterschrift eines Kontrollbeauftragten des Fiscal Agent] und des von der Bundesanstalt für

#### § 1 Currency, Denomination, Form, Certain Definitions

(1) *Currency; Denomination.* This tranche of **[in the case of Mortgage Darfandbriefe insert: Mortgage Darfandbriefe (Hypothekendarfandbriefe)] [in the case of Public Sector Darfandbriefe insert: Public Sector Darfandbriefe (Öffentliche Darfandbriefe)]** (the "**Pdarfandbriefe**") of WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, Münster (the "**Issuer**") is being issued in **[insert Specified Currency]** (the "**Specified Currency**") in the aggregate principal amount of **[insert aggregate principal amount]** (in words: **[insert aggregate principal amount in words]**) (the "**Aggregate Principal Amount**"), divided into Darfandbriefe in the specified denomination of **[insert Specified Denomination]** (the "**Specified Denomination**") each.

(2) *Form.* The Darfandbriefe are issued in bearer form.

(3) *Global Darfandbriefe.* The Darfandbriefe are [represented by a permanent global note ("**Permanent Global Darfandbrief**")] [initially represented by a temporary global bearer Darfandbrief ("**Temporary Global Darfandbrief**")] without interest coupons. [The Permanent Global Darfandbrief shall bear] [Each of the Temporary Global Darfandbrief and the Permanent Global Darfandbrief shall bear] the manual or facsimile signatures of two duly authorised officers of the Issuer [as well as the manual signature of an authentication officer of the Fiscal Agent] and of the independent trustee appointed by

Finanzdienstleistungsaufsicht bestellen  
Treuhänders.

the Federal Financial Supervisory Authority  
(Bundesanstalt für  
Finanzdienstleistungsaufsicht).

**Im Fall von Pfandbriefen, die durch eine vorläufige Globalurkunde verbrieft sind, den folgenden Absatz dem § 1 Absatz (3) hinzufügen:**

**In the case of Pfandbriefe which are represented by a Temporary Global Pfandbrief add the following provision to § 1 para. (3):**

[Die Vorläufige Globalurkunde wird am oder nach dem Austauschtag gegen Nachweis über das Nichtbestehen wirtschaftlichen U.S.-Eigentums im Sinne des U.S.-Rechts (*non-U.S. beneficial ownership*) in der in der Vorläufigen Globalurkunde enthaltenen Form, für den Inhaber von Pfandbriefen unentgeltlich ganz oder teilweise gegen eine dauerhafte Inhaber-Globalurkunde ("**Dauer-Globalurkunde**") (die Vorläufige Globalurkunde und die Dauer-Globalurkunde jeweils auch eine "**Globalurkunde**") ohne Zinsscheine eingetauscht werden.

The Temporary Global Pfandbrief will be exchangeable, free of charge to the holder of Pfandbriefe, on or after its Exchange Date, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Pfandbrief for a permanent global bearer Pfandbrief ("**Permanent Global Pfandbrief**") (the Temporary Global Pfandbrief and the Permanent Global Pfandbrief, each a "**Global Pfandbrief**") without coupons.

"**Austauschtag**" ist ein Tag, der am oder nach dem 40. Tag nach dem Tag der Begebung der vorläufigen Globalurkunde liegt.]

"**Exchange Date**" means a day falling not earlier than 40 days after the date of issue of the Temporary Global Pfandbrief.]

(4) *Effektive Stücke:* Ein Recht der Pfandbriefgläubiger auf Ausgabe und Lieferung von Einzelurkunden oder Zinsscheinen besteht nicht.

(4) *Definitive Pfandbriefe:* The right of the Pfandbriefholders to require the issue and delivery of definitive notes or interest coupons is excluded.

(5) *Verwahrung:* Die [Dauer-Globalurkunde wird] [Vorläufige Globalurkunde und die Dauer-Globalurkunde werden] solange bei oder im Auftrag von [Clearstream Banking AG, Frankfurt ("**Clearstream, Frankfurt**") [einer gemeinsamen Verwahrstelle für Clearstream Banking, société anonyme, Luxemburg ("**Clearstream, Luxembourg**") und Euroclear Bank S.A./N.V., als Betreiberin des Euroclear Systems ("**Euroclear**") [einer Verwahrstelle oder einem Nominee zur Einbeziehung der Pfandbriefe in das Clearingsystem der [anderes Clearing System einfügen]] ([zusammen] das "**Clearing System**") verwahrt, bis sämtliche Verpflichtungen der Emittentin aus den Pfandbriefen erfüllt sind.

(5) *Clearing System:* [The Permanent Global Pfandbrief] [Each of the Temporary Global Pfandbrief and the Permanent Global Pfandbrief] will be held in custody by or on behalf of [Clearstream Banking AG, Frankfurt ("**Clearstream, Frankfurt**") [a depository common to Clearstream Banking, société anonyme, Luxemburg ("**Clearstream, Luxembourg**") and Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**") [a depository or nominee for purposes of introducing the Pfandbriefe into the clearing system operated by [insert other clearing system]] ([together] the "**Clearing System**") until all obligations of the Issuer under the Pfandbriefe have been satisfied.

(6) *Inhaber von Pfandbriefen.* "**Pfandbriefgläubiger**" bezeichnet jeden Inhaber eines Miteigentumsanteils oder anderen Rechts an [den] [dem unter einer Wertpapieridentifizierungsnummer im betreffenden Clearingsystem geführten Sammelbestand der] Pfandbriefe, die gemäß anwendbarem Recht und den Bestimmungen und Regeln des Clearing Systems übertragen werden können

(6) *Holder of Pfandbriefe.* "**Pfandbriefholder**" means any holder of a proportionate co-ownership or other beneficial interest or right in the Pfandbriefe [introduced into the Clearing System under a particular securities identification number], which are transferable in accordance with applicable laws and the rules and regulations of the Clearing System.



Systems übertragen werden können.

## § 2 Status

Die Pfandbriefe begründen nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander gleichrangig sind. Die Pfandbriefe sind nach Maßgabe des Pfandbriefgesetzes gedeckt und stehen mindestens im gleichen Rang mit allen anderen Verpflichtungen der Emittentin aus **[im Fall von Hypothekendarfandbriefen einfügen: Hypothekendarfandbriefen] [im Fall von Öffentlichen Darfandbriefen einfügen: Öffentlichen Darfandbriefen]**.

## § 3 Zinsen

**[(A) Festzinsalternative: Im Fall von fest verzinslichen Darfandbriefen die folgenden Absätze (1)-(3) einfügen:**

- (1) *Zinssatz und Zinszahlungstage.* Die Darfandbriefe werden in Höhe ihres Nennbetrages vom **[Verzinsungsbeginn einfügen]** (einschließlich) bis zum Endfälligkeitstag (wie in § 4 **[Absatz 1]** definiert) (ausschließlich) mit jährlich **[Zinssatz einfügen]** % verzinst. Die Zinsen sind nachträglich am **[Festzinstermine) einfügen]** eines jeden Jahres zahlbar (jeweils ein "Zinszahlungstag"). Die erste Zinszahlung erfolgt am **[ersten Zinszahlungstag einfügen]** **[sofern der erste Zinszahlungstag nicht der erste Jahrestag des Verzinsungsbeginns ist einfügen:** und beläuft sich auf **[anfänglichen Bruchteilzinsbetrag einfügen]** **[falls sich der anfängliche Bruchteilzinsbetrag auf den Gesamtnennbetrag bezieht, einfügen:** bezogen auf den Gesamtnennbetrag.] **[falls sich der anfängliche Bruchteilzinsbetrag auf die festgelegte Stückelung bezieht, einfügen:]** je festgelegte Stückelung.] **[Sofern der Endfälligkeitstag kein Festzinstermine ist, einfügen:** Die Zinsen für den Zeitraum vom **[den letzten dem Endfälligkeitstag vorausgehenden Festzinstermine einfügen]** (einschließlich) bis zum Endfälligkeitstag (ausschließlich) belaufen sich auf **[abschließenden Bruchteilzinsbetrag einfügen]** **[falls sich der abschließende Bruchteilzinsbetrag auf den Gesamtnennbetrag bezieht einfügen:** bezogen auf den Gesamtnennbetrag.] **[falls sich der abschließende Bruchteilzinsbetrag auf die festgelegte Stückelung bezieht einfügen]** je festgelegte Stückelung.] **[Falls**

## § 2 Status

The obligations under the Darfandbriefe constitute unsubordinated obligations of the Issuer ranking *pari passu* without any preference among themselves. The Darfandbriefe are covered in accordance with the Darfandbrief Act (*Darfandbriefgesetz*) and rank at least *pari passu* with all other obligations of the Issuer under **[in the case of Mortgage Darfandbriefe insert: Mortgage] [in the case of Public Sector Darfandbriefe insert: Public] Darfandbriefe.**

## § 3 Interest

**[(A) Fixed Rate Alternative: In the case of Fixed Rate Darfandbriefe insert the following paras. (1)-(3):**

- (1) *Rate of Interest and Interest Payment Dates.* The Darfandbriefe shall bear interest on their principal amount at the rate of **[insert Rate of Interest]** per cent. per annum from (and including) **[insert Interest Commencement Date]** to (but excluding) the Maturity Date (as defined in § 4 **[(1)]**). Interest shall be payable in arrear on **[insert Fixed Interest Date or Dates]** in each year (each such date, an "Interest Payment Date"). The first payment of interest shall be made on **[insert First Interest Payment Date]** **[if First Interest Payment Date is not first anniversary of Interest Commencement Date insert: and will amount to [insert Initial Broken Amount] [if Initial Broken Amount per Aggregate Principal Amount insert: per Aggregate Principal Amount.] [if Initial Broken Amount per Specified Denomination per Specified Denomination.] [If Maturity Date is not a Fixed Interest Date insert:** Interest in respect of the period from (and including) **[insert Fixed Interest Date preceding the Maturity Date]** to (but excluding) the Maturity Date will amount to **[insert Final Broken Amount] [if Final Broken Amount per Aggregate Principal Amount insert: per Aggregate Principal Amount.] [if Final Broken Amount per Specified Denomination] per Specified Denomination.] [If the Specified Currency is Euro and if Actual/Actual (ICMA) is applicable insert:** The number of Interest Payment Dates per calendar year (each a "Determination Date") is **[insert number of regular Interest Payment Dates per calendar year].]**

die festgelegte Wahrung Euro ist, und falls Actual/Actual (ICMA) anwendbar ist, einfugen: Die Anzahl der Zinszahlungstage im Kalenderjahr (jeweils ein "Feststellungstermin") betragt [Anzahl der regularen Zinszahlungstage im Kalenderjahr einfugen].]

- (2) *Auflaufende Zinsen.* Falls die Emittentin die Pfandbriefe bei Endfalligkeit nicht einlost, endet die Verzinsung der Pfandbriefe nicht an dem Tag (einschlielich), der dem Endfalligkeitstag vorausgeht, sondern erst an dem Tag (einschlielich), der der tatsachlichen Ruckzahlung der Pfandbriefe vorausgeht. Die Verzinsung des ausstehenden Nennbetrages vom Tag der Falligkeit an (einschlielich) bis zum Tag der Ruckzahlung der Pfandbriefe (ausschlielich) erfolgt in Hohe des gesetzlich festgelegten Satzes fur Verzugszinsen).
- (3) *Berechnung der Zinsen fur Teile von Zeitraumen.* Sofern Zinsen fur einen Zeitraum von weniger als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachstehend definiert).]

**[(B) Variable Zinsalternative: Im Fall von variabel verzinslichen Pfandbriefen je nach Wahl in den Endgultigen Bedingungen die folgenden Absatze (1)-(7) einfugen:**

- (1) *Zinszahlungstage.*
- (a) Die Pfandbriefe werden in Hohe ihres Nennbetrages ab dem **[Verzinsungsbeginn einfugen]** (der "**Verzinsungsbeginn**") (einschlielich) bis zum ersten Zinszahlungstag (ausschlielich) und danach von jedem Zinszahlungstag (einschlielich) bis zum nachstfolgenden Zinszahlungstag (ausschlielich) verzinst (jeweils, eine "**Zinsperiode**"). Zinsen auf die Pfandbriefe sind nachtraglich an jedem Zinszahlungstag zahlbar.
- (b) "**Zinszahlungstag**" bedeutet **[im Fall von festgelegten Zinszahlungstagen oder einem festgelegten Zinszahlungstag einfugen: [im Falle einer langen ersten Zinsperiode einfugen: der [erster Zinszahlungstag einfugen] und danach] [jeder] [der] [festgelegte(r) Zinszahlungstag(e) einfugen] [im Falle einer langen letzten Zinsperiode einfugen: Die letzte, dem Endfalligkeitstag vorausgehende**

calendar year].]

- (2) *Accrual of Interest.* If the Issuer shall fail to redeem the Pfandbriefe when due, interest shall not cease to accrue on (and including) the day which precedes the due date but shall continue to accrue until (and including) the day which precedes the actual redemption of the Pfandbriefe. Interest shall continue to accrue on the outstanding principal amount of the Pfandbriefe from the due date (inclusive) until the date of redemption of the Pfandbriefe (exclusive) at the default rate of interest established by law).
- (3) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).]

**[(B) Floating Rate Alternative: In the case of Floating Rate Pfandbriefe insert, in accordance with the selections made in the Final Terms, the following paras. (1)-(7):**

- (1) *Interest Payment Dates.*
- (a) The Pfandbriefe bear interest on their principal amount from (and including) **[insert Interest Commencement Date]** (the "**Interest Commencement Date**") to (but excluding) the first Interest Payment Date and thereafter from (and including) each Interest Payment Date to (but excluding) the next following Interest Payment Date (each, an "**Interest Period**"). Interest on the Pfandbriefe shall be payable in arrear on each Interest Payment Date.
- (b) "**Interest Payment Date**" means **[in the case of Specified Interest Payment Dates or one Specified Interest Payment Date insert: [in case of a long first interest period insert: [first Interest Payment Date] and thereafter] [each] [insert Specified Interest Payment Date(s)].] [in case of a long last interest period insert: The last payment of interest preceding the Maturity Date shall be made on [insert Interest Payment Date**

Zinszahlung erfolgt am **[Zinszahlungstag einfügen, der dem Endfälligkeitstag vorausgeht].**

**[im Fall von festgelegten Zinsperioden einfügen:** (soweit diese Emissionsbedingungen keine abweichenden Bestimmungen vorsehen) jeweils der Tag, der **[Zahl einfügen]** [Wochen] [Monate] **[andere festgelegte Zeiträume einfügen]** nach dem vorausgehenden Zinszahlungstag liegt, oder im Fall des ersten Zinszahlungstages, nach dem Verzinsungsbeginn.]

- (c) Fällt ein Zinszahlungstag auf einen Tag, der kein Geschäftstag (wie nachstehend definiert) ist, so wird der Zinszahlungstag

**[bei Anwendung der Modified Following Business Day Convention einfügen:** auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.]

**[bei Anwendung der FRN Convention einfügen:** auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall (i) wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen und (ii) ist jeder nachfolgende Zinszahlungstag der jeweils letzte Geschäftstag des Monats, der **[[Zahl einfügen]** Monate] **[andere festgelegte Zeiträume einfügen]** nach dem vorhergehenden anwendbaren Zinszahlungstag liegt.]

**[bei Anwendung der Following Business Day Convention einfügen:** auf den nachfolgenden Geschäftstag verschoben.]

**[bei Anwendung der Preceding Business Day Convention einfügen:** auf den unmittelbar vorhergehenden Geschäftstag vorgezogen.]

- (d) In diesem § 3 (1) bezeichnet "**Geschäftstag**" einen Tag (außer einem Samstag oder Sonntag), an dem (i) das Clearing System und (ii) **[falls die festgelegte Währung Euro ist, einfügen:** das Trans-European Automated Realtime Gross Settlement Express Transfer System (TARGET)] **[falls die festgelegte Währung nicht Euro ist, einfügen:** Geschäftsbanken

**preceding the Maturity Date]]**

**[in the case of Specified Interest Periods insert:** each date which (except as otherwise provided in these Terms and Conditions) falls **[insert number]** [weeks] [months] **[insert other specified periods]** after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.]

- (c) If any Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below), it shall be:

**[if Modified Following Business Day Convention insert:** postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the Interest Payment Date shall be the immediately preceding Business Day.]

**[if FRN Convention insert:** postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) the Interest Payment Date shall be the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls **[[insert number]** months] **[insert other specified periods]** after the preceding applicable Interest Payment Date.]

**[if Following Business Day Convention insert:** postponed to the next day which is a Business Day.]

**[if Preceding Business Day Convention insert:** the immediately preceding Business Day.]

- (d) In this § 3 (1) "**Business Day**" means a day which is a day (other than a Saturday or a Sunday) on which both (i) the Clearing System, and (ii) **[if the Specified Currency is Euro insert:** the Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET)] **[if the Specified Currency is not Euro insert:** commercial banks are generally open for

für den üblichen Geschäftsverkehr geöffnet sind und Devisenmärkte in **[sämtliche relevanten Finanzzentren einfügen]** Zahlungen abwickeln.

- (2) **Zinssatz. [Bei Bildschirmfeststellung einfügen:** Der Zinssatz (der "Zinssatz") für jede Zinsperiode ist, sofern nachstehend nichts Abweichendes bestimmt wird, der Angebotssatz (ausgedrückt als Prozentsatz per annum) für Einlagen in der festgelegten Währung für die [jeweilige Zinsperiode] **[andere Periode einfügen]**, der auf der Bildschirmseite am Zinsfeststellungstag (wie nachstehend definiert) gegen [11.00 Uhr ([Brüsseler] [Londoner])] **[andere zutreffende Uhrzeit und/oder anderen zutreffenden Ort einfügen]** Ortszeit) angezeigt wird **[im Fall einer Marge einfügen:** [zuzüglich] [abzüglich] der Marge (wie nachstehend definiert)], wobei alle Feststellungen durch die Berechnungsstelle, wie in § 6 Absatz 1 benannt, erfolgen.

**"Bildschirmseite"** bedeutet **[Bildschirmseite einfügen]** oder, falls diese eingestellt wird, deren Nachfolgeseite.

Sollte die Bildschirmseite nicht zur Verfügung stehen oder wird kein Angebotssatz angezeigt (zu der genannten Zeit), wird die Berechnungsstelle von den **[Londoner] [zutreffenden anderen Ort einfügen]** Hauptniederlassungen jeder der Referenzbanken (wie nachstehend definiert) **[in der Euro-Zone]** deren jeweilige Angebotssätze (jeweils als Prozentsatz per annum ausgedrückt) für Einlagen in der festgelegten Währung für die [betreffende Zinsperiode] **[andere Periode einfügen]** gegenüber führenden Banken im **[Londoner] [zutreffenden anderen Ort einfügen]** Interbanken- Markt **[in der Euro-Zone]** um ca. [11.00 Uhr ([Brüsseler] [Londoner])] **[andere zutreffende Uhrzeit und/oder anderen zutreffenden Ort einfügen]** Ortszeit) am Zinsfeststellungstag anfordern. **["Euro-Zone"** bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die Teilnehmerstaaten der Europäischen Wirtschafts- und Währungsunion sind.] Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, ist der Zinssatz für die betreffende Zinsperiode das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste **[im Fall von EURIBOR einfügen:** ein Tausendstel Prozent, wobei 0,0005] **[im Fall eines**

business in, and foreign exchange markets in **[insert all relevant financial centres]** settle payments.

- (2) **Rate of Interest. [if Screen Rate Determination insert:** The rate of interest (the "Rate of Interest") for each Interest Period will, except as provided below, be the offered quotation (expressed as a percentage rate per annum) for deposits in the Specified Currency for [that Interest Period] **[insert other period]** which appears on the Screen Page as of [11:00 a.m. ([Brussels] [London])] **[insert other relevant time and/or relevant location]** time) on the Interest Determination Date (as defined below) **[if Margin insert:** [plus] [minus] the Margin (as defined below)], all as determined by the Calculation Agent, as specified in § 6 (1) below.

**"Screen Page"** means **[insert relevant Screen Page]** or, if discontinued, its successor page.

If the Screen Page is not available or if no such quotation appears (as at such time) the Calculation Agent shall request the principal **[Euro-Zone] [London] [insert other relevant location]** office of each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for deposits in the Specified Currency for the [relevant Interest Period] **[insert other period]** to leading banks in the **[London] [insert other relevant location]** interbank market [of the Euro-Zone] at approximately [11.00 a.m. ([Brussels] [London])] **[insert other relevant time and/or relevant location]** time) on the Interest Determination Date. **["Euro-Zone"** means the region comprised of Member States of the European Union that participate in the European Economic and Monetary Union.] If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the nearest **[in case of EURIBOR insert:** one thousandth of a percentage point, with 0.0005] **[in case of a reference rate other than EURIBOR insert:** one hundred-thousandth of a percentage point, with 0.000005] being

**anderen Referenzsatzes als EURIBOR einfügen:** ein Hunderttausendstel Prozent, wobei 0,000005] aufgerundet wird) dieser Angebotssätze **[im Fall einer Marge einfügen:** [zuzüglich] [abzüglich] der Marge], wobei alle Feststellungen durch die Berechnungsstelle erfolgen.

Falls an einem Zinsfeststellungstag nur eine oder keine der Referenzbanken der Berechnungsstelle solche im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Zinssatz für die betreffende Zinsperiode der Satz per annum, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste **[im Fall von EURIBOR einfügen:** ein Tausendstel Prozent, wobei 0,0005] **[im Fall eines anderen Referenzsatzes als EURIBOR einfügen:** ein Hunderttausendstel Prozent, wobei 0,000005] aufgerundet wird) der Angebotssätze ermittelt, die die Referenzbanken bzw. zwei oder mehrere von ihnen der Berechnungsstelle auf deren Anfrage als den jeweiligen Satz nennen, zu dem ihnen um ca. [11.00 Uhr ([Brüsseler] [Londoner]) **[andere zutreffende Uhrzeit und/oder anderen zutreffenden Ort einfügen]** Ortszeit) an dem betreffenden Zinsfeststellungstag Einlagen in der festgelegten Währung für die [betreffende Zinsperiode] **[andere Periode einfügen]** von führenden Banken im [Londoner] **[zutreffenden anderen Ort einfügen]** Interbanken-Markt [in der Euro-Zone] angeboten werden **[im Fall einer Marge einfügen:** [zuzüglich] [abzüglich] der Marge]; falls weniger als zwei der Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, dann soll der Zinssatz für die betreffende Zinsperiode der Angebotssatz für Einlagen in der festgelegten Währung für die [betreffende Zinsperiode] **[andere Periode einfügen]** oder das arithmetische Mittel (gerundet wie oben beschrieben) der Angebotssätze für Einlagen in der festgelegten Währung für die [betreffende Zinsperiode] **[andere Periode einfügen]** sein, den bzw. die eine oder mehrere Banken (die nach Ansicht der Berechnungsstelle und der Emittentin für diesen Zweck geeignet sind) der Berechnungsstelle als Sätze bekannt geben, die sie an dem betreffenden Zinsfeststellungstag gegenüber führenden Banken am [Londoner] **[zutreffenden anderen Ort einfügen]** Interbanken-Markt

rounded upwards) of such offered quotations **[if Margin insert: [plus] [minus] the Margin]**, all as determined by the Calculation Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest **[in case of EURIBOR insert: one thousandth of a percentage point, with 0.0005] [in case of a reference rate other than EURIBOR insert: one hundred-thousandth of a percentage point, with 0.000005]** being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, as at [11.00 a.m. ([Brussels] [London]) **[insert other relevant time and/or relevant location]** time) on the relevant Interest Determination Date, deposits in the Specified Currency for the [relevant Interest Period] **[insert other period]** by leading banks in the [London] **[insert other relevant location]** interbank market [of the Euro-Zone] **[if Margin insert: [plus] [minus] the Margin]** or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for the [relevant Interest Period] **[insert other period]**, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for the [relevant Interest Period] **[insert other period]**, at which, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent and the Issuer suitable for such purpose) inform(s) the Calculation Agent it is or they are quoting to leading banks in the [London] **[insert other relevant location]** interbank market [of the Euro-Zone] (or, as the case may be, the quotations of such bank or banks to the Calculation Agent) **[if Margin insert: [plus] [minus] the Margin]**. If the Rate of Interest cannot be determined in accordance with the foregoing provisions of

[in der Euro-Zone] nennen (bzw. den diese Banken gegenüber der Berechnungsstelle nennen) **[im Fall einer Marge einfügen: [zuzüglich] [abzüglich] der Marge]**. Für den Fall, dass der Zinssatz nicht gemäß den vorstehenden Bestimmungen dieses Absatzes ermittelt werden kann, ist der Zinssatz der Angebotssatz oder das arithmetische Mittel der Angebotssätze auf der Bildschirmseite, wie vorstehend beschrieben, an dem letzten Tag vor dem Zinsfeststellungstag, an dem diese Angebotssätze angezeigt wurden **[im Fall einer Marge einfügen: [zuzüglich] [abzüglich] der Marge** (wobei jedoch, falls für die relevante Zinsperiode eine andere Marge als für die unmittelbar vorhergehende Zinsperiode gilt, die relevante Marge an die Stelle der Marge für die vorhergehende Zinsperiode tritt.)]

**"Referenzbanken"** bezeichnet **[falls in den Endgültigen Bedingungen keine anderen Referenzbanken bestimmt werden, einfügen:** diejenigen Niederlassungen von vier derjenigen Banken, deren Angebotssätze zur Ermittlung des maßgeblichen Angebotssatzes zu dem Zeitpunkt benutzt wurden, als solch ein Angebot letztmals auf der Bildschirmseite angezeigt wurde] **[Falls in den Endgültigen Bedingungen andere Referenzbanken bestimmt werden, sind sie hier einzufügen]**.

**[Wenn der Referenzsatz ein anderer als EURIBOR oder LIBOR ist, sind die entsprechenden Einzelheiten anstelle der Bestimmungen dieses Absatzes 2 einzufügen]**

**[Wenn die festgelegte Währung die Währung eines Landes ist, das am Tag der Begebung nicht Teilnehmerstaat der Europäischen Wirtschafts- und Währungsunion ist, einfügen:** Falls die Währung der Pfandbriefe von der festgelegten Währung auf Euro umgestellt und der zuletzt auf der Bildschirmseite angezeigte Satz nicht durch anwendbares Recht in Gesetzes- oder Verordnungsform ersetzt wird, bedeutet Bildschirmseite **[•]** von Reuters oder deren Nachfolgersite als Euro Interbank Offered Rate (EURIBOR) angezeigten Referenzsatz. Dieser Referenzsatz gilt von der ersten Zinsperiode an, die nach Umstellung der festgelegten Währung auf Euro beginnt. Von dieser Zinsperiode an gilt in diesem Absatz 2 jede

this paragraph, the Rate of Interest shall be the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such quotations were offered **[if Margin insert: [plus] [minus] the Margin]** (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period)].

**"Reference Banks"** means **[if no other Reference Banks are specified in the Final Terms, insert:** those offices of four of such banks whose offered rates were used to determine such quotation when such quotation last appeared on the Screen Page] **[if other Reference Banks are specified in the Final Terms, insert names here]**.

**[If the Reference Rate is other than EURIBOR or LIBOR, insert relevant details in lieu of the provisions of this subparagraph (2)]**

**[If the Specified Currency is a currency of a country which does not at the date of issue participate in the European Economic and Monetary Union, insert:** If the Pfandbriefe are redenominated from the Specified Currency into Euro and if the rate last displayed on the Screen Page is not substituted by applicable statutory or regulatory law, Screen Page shall mean the reference rate specified as Euro Interbank Offered Rate (EURIBOR) on the monitor page **[•]** of Reuters or its successor page. This reference rate shall commence to be applicable with respect to the first Interest Period which begins after redenomination of the Specified Currency into Euro. As of such Interest Period each reference in this subparagraph (2) to a local time shall be to

Bezugnahme auf eine Ortszeit als Bezugnahme auf Brüsseler Ortszeit, jede Bezugnahme auf eine Hauptniederlassung als Bezugnahme auf die jeweilige Hauptniederlassung in der Euro-Zone und jede Bezugnahme auf einen Interbanken-Markt als Bezugnahme auf den Interbanken-Markt in der Euro-Zone. **"Euro-Zone"** bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die Teilnehmerstaaten der Europäischen Wirtschafts- und Währungsunion sind.]]

**[Falls der Zinssatz durch Bezugnahme auf Formeln festgestellt wird, einfügen:** Der Zinssatz (der **"Zinssatz"**) für jede Zinsperiode wird durch die Berechnungsstelle in Übereinstimmung mit nachfolgender Formel berechnet (ausgedrückt als Prozentsatz per annum): **[Formel einfügen und detaillierte Beschreibung der in der jeweiligen Formel enthaltenen Variablen einschließlich der relevanten fall back Bestimmungen].**

**"Zinsfeststellungstag"** bezeichnet den **[[zweiten] [zutreffende andere Zahl von Tagen einfügen] [TARGET-] [Londoner] [zutreffende andere Bezugnahmen einfügen] Geschäftstag [[vor Beginn] [vor Ende] der jeweiligen Zinsperiode] [vor dem jeweiligen Zinszahlungstag]] [ersten Tag der jeweiligen Zinsperiode]. [Im Fall eines TARGET-Geschäftstages einfügen:** **"TARGET-Geschäftstag"** bezeichnet einen Tag, an dem TARGET betriebsbereit ist.] **[Im Fall eines anderen Geschäftstages als eines TARGET-Geschäftstages einfügen:** **"[Londoner] [zutreffenden anderen Ort einfügen] Geschäftstag"** bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken in **[London] [zutreffenden anderen Ort einfügen]** für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind.]

**[Im Fall einer Marge einfügen:** Die **"Marge"** beträgt **[•]**% per annum.]

**[Sofern ISDA-Feststellung gelten soll, sind die entsprechenden Bestimmungen einzufügen und die von der International Swaps and Derivatives Association, Inc. (ISDA) veröffentlichten 2000 ISDA-Definitionen (unter Berücksichtigung der jeweiligen Änderungen und Ergänzungen) diesen Emissionsbedingungen als Anlage**

Brussels time, each reference to a principal office shall be to the principal Euro-Zone office and each reference to an interbank market shall be to the interbank market of the Euro-Zone. **"Euro-Zone"** means the region comprised of Member States of the European Union that participate in the European Economic and Monetary Union.]]

**[If the Rate of Interest is determined by reference to a formula insert:** The rate of interest (the **"Rate of Interest"**) for each Interest Period shall be determined by the Calculation Agent in accordance with the following formula (expressed as a percentage rate per annum): **[insert formula and detailed description of the relevant variables including the relevant fall back provisions].**

**"Interest Determination Date"** means the **[[second] [insert other applicable number of days] [TARGET] [London] [insert other relevant reference]** Business Day prior to the **[[commencement] [end] of the relevant Interest Period] [relevant Interest Payment Date]] [first day of the relevant Interest Period]. [In case of a TARGET Business Day insert: "TARGET Business Day"** means a day on which TARGET is operating.] **[In case of a non-TARGET Business Day insert: "[London] [insert other relevant location] Business Day"** means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in **[London] [insert other relevant location].]**

**[If Margin insert: "Margin"** means **[•]** per cent. per annum.]

**[If ISDA Determination applies insert the relevant provisions and attach the 2000 ISDA Definitions published by the International Swaps and Derivatives Association (ISDA), as further amended and updated from time to time, to these Terms and Conditions]**

beizufügen]

[•]

[Sofern eine andere Methode der Feststellung/Indexierung anwendbar ist, sind die entsprechenden Einzelheiten anstelle der Bestimmungen dieses Absatzes 2 einzufügen]

[•]

[Falls ein Mindest- und/oder Höchstzinssatz gilt, einfügen:

(3) [Mindest-] [und] [Höchst-] Zinssatz.

**[Falls ein Mindestzinssatz gilt einfügen:** Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode ermittelte Zinssatz niedriger ist als **[Mindestzinssatz einfügen]**, so ist der Zinssatz für diese Zinsperiode **[Mindestzinssatz einfügen].]**

**[Falls ein Höchstzinssatz gilt:** Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode ermittelte Zinssatz höher ist als **[Höchstzinssatz einfügen]**, so ist der Zinssatz für diese Zinsperiode **[Höchstzinssatz einfügen].]**

[(4)] *Zinsbetrag.* Die Berechnungsstelle wird zu oder baldmöglichst nach jedem Zeitpunkt, an dem der Zinssatz festzustellen ist, den auf die Pfandbriefe zahlbaren Zinsbetrag (der "Zinsbetrag") **[im Fall von Pfandbriefen, bei denen die Globalurkunde von Euroclear oder Clearstream Banking S.A., Luxemburg verwahrt wird, einfügen:** in Bezug auf jeden Festgelegten Nennbetrag] für die entsprechende Zinsperiode berechnen. Der Zinsbetrag wird ermittelt durch Multiplikation des auf eine Zinsperiode anzuwendenden Zinssatzes mit **[im Fall von Pfandbriefen, bei denen die Globalurkunde von Euroclear oder Clearstream Banking S.A., Luxemburg verwahrt wird, einfügen:** jedem Festgelegten Nennbetrag] **[im Fall von Pfandbriefen, bei denen die Globalurkunde von Clearstream Frankfurt verwahrt wird, einfügen:** dem Gesamtnennbetrag], wobei dieses Produkt mit dem Zinstagequotienten (wie nachstehend definiert) multipliziert wird. Der so errechnete Betrag wird auf **[falls die**

[•]

[If other method of determination/indexation applies, insert relevant details in lieu of the provisions of this paragraph (2)]

[•]

[If Minimum and/or Maximum Rate of Interest applies insert:

(3) [Minimum] [and] [Maximum] Rate of Interest.

**[If Minimum Rate of Interest applies insert:** If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is less than **[insert Minimum Rate of Interest]**, the Rate of Interest for such Interest Period shall be **[insert Minimum Rate of Interest].]**

**[If Maximum Rate of Interest applies insert:** If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is greater than **[insert Maximum Rate of Interest]**, the Rate of Interest for such Interest Period shall be **[insert Maximum Rate of Interest].]**

[(4)] *Interest Amount.* The Calculation Agent will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, calculate the amount of interest (the "Interest Amount") payable on the Pfandbriefe **[in the case of Pfandbriefe where the Global Pfandbrief is kept in custody by Euroclear or Clearstream Banking S.A., Luxembourg insert:** in respect of each Specified Denomination] for the relevant Interest Period. Each Interest Amount shall be calculated by multiplying the Rate of Interest applicable to an Interest Period with **[in the case of Pfandbriefe where the Global Pfandbrief is kept in custody by Euroclear or Clearstream Banking S.A., Luxembourg insert:** each Specified Denomination **[in the case of Pfandbriefe where the Global Pfandbrief is kept in custody by Clearstream Frankfurt insert:** the Aggregate Principal Amount] and multiplying the product with the Day Count Fraction (as defined below) and by rounding the resultant figure to **[if the Specified Currency is Euro:** the



**festgelegte Währung Euro ist:** den nächsten 0,01 Euro auf- oder abgerundet, wobei 0,005 Euro aufgerundet wird.] **[falls die festgelegte Währung nicht Euro ist:** die kleinste Einheit der festgelegten Währung auf- oder abgerundet, wobei 0,5 solcher Einheiten aufgerundet werden.]

- [(5)] *Mitteilung von Zinssatz und Zinsbetrag.* Die Berechnungsstelle wird veranlassen, dass der Zinssatz, **[im Fall von Pfandbriefen, bei denen die Globalurkunde von Euroclear oder Clearstream Banking S.A., Luxemburg verwahrt wird, einfügen:** der Zinsbetrag für die jeweilige Zinsperiode,] die jeweilige Zinsperiode und der relevante Zinszahlungstag der Emittentin und jeder Börse, an der die betreffenden Pfandbriefe zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, sowie den Pfandbriefgläubigern gemäß § [12] baldmöglichst nach der Festlegung, aber keinesfalls später als am vierten auf die Berechnung jeweils folgenden **[TARGET-] [Londoner] [zutreffende andere Bezugnahme einfügen]** Geschäftstag (wie in § 3 Absatz 2 definiert) mitgeteilt werden. Im Fall einer Verlängerung oder Verkürzung der Zinsperiode können der mitgeteilte Zinsbetrag und Zinszahlungstag ohne Vorankündigung nachträglich angepasst (oder andere geeignete Anpassungsregelungen getroffen) werden. Jede solche Anpassung wird umgehend allen Börsen, an denen die Pfandbriefe zu diesem Zeitpunkt notiert sind, sowie den Pfandbriefgläubigern gemäß § 10 mitgeteilt.
- [(6)] *Verbindlichkeit der Festsetzungen.* Alle Bescheinigungen, Mitteilungen, Gutachten, Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieses § 3 gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, den Fiscal Agent [, die Zahlstellen] und die Pfandbriefgläubiger bindend.
- [(7)] *Auflaufende Zinsen.* Falls die Emittentin die Pfandbriefe bei Endfälligkeit nicht einlöst, endet die Verzinsung der Pfandbriefe nicht an dem Tag (einschließlich), der dem Endfälligkeitstag vorausgeht, sondern erst an dem Tag (einschließlich), der der tatsächlichen Rückzahlung der Pfandbriefe vorausgeht. Die Verzinsung des ausstehenden Nennbetrages vom Tag der

nearest 0.01 Euro, with 0.005 Euro being rounded upwards] **[if the Specified Currency is not Euro:** the nearest unit of the Specified Currency, with 0.5 of such unit being rounded upwards].

- [(5)] *Notification of Rate of Interest and Interest Amount.* The Calculation Agent will cause the Rate of Interest, **[in the case of Pfandbriefe where the Global Pfandbrief is kept in custody by Euroclear or Clearstream Banking S.A., Luxembourg insert:** each Interest Amount for each Interest Period,] each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and, if required by the rules of any stock exchange on which the Pfandbriefe are from time to time listed, to such stock exchange, and to the Pfandbriefholders in accordance with § 10 as soon as possible after their determination, but in no event later than the fourth **[TARGET] [London] [insert other relevant reference]** Business Day (as defined in § 3 (2)) thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to any stock exchange on which the Pfandbriefe are then listed and to the Pfandbriefholders in accordance with § 10.
- [(6)] *Determinations Binding.* All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this § 3 by the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Fiscal Agent [, the Paying Agents] and the Pfandbriefholders.
- [(7)] *Accrual of Interest.* If the Issuer shall fail to redeem the Pfandbriefe when due, interest shall not cease to accrue on (and including) the day which precedes the due date, but shall continue to accrue until (and including) the day which precedes actual redemption of the Pfandbriefe. Interest shall continue to accrue on the outstanding principal amount of the Pfandbriefe from the due date

Fälligkeit an (einschließlich) bis zum Tag der Rückzahlung der Pfandbriefe (ausschließlich) erfolgt in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen.)]

(inclusive) until the date of redemption of the Pfandbriefe (exclusive) at the default rate of interest established by law.)]

**[(C) Im Fall von Nullkupon-Pfandbriefen die folgenden Absätze (1) und (2) einfügen:**

**[(C) In the case of Zero Coupon Pfandbriefe insert the following paras. (1) and (2):**

- (1) *Keine periodischen Zinszahlungen.* Es erfolgen während der Laufzeit keine periodischen Zinszahlungen auf die Pfandbriefe.
- (2) *Auflaufende Zinsen.* Falls die Emittentin die Pfandbriefe bei Endfälligkeit nicht einlöst, fallen auf den Nennbetrag der Pfandbriefe ab dem Endfälligkeitstag (einschließlich) bis zu dem Tag (einschließlich), der der tatsächlichen Rückzahlung vorausgeht, Zinsen in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen an.]

- (1) *No Periodic Payments of Interest.* There will not be any periodic payments of interest on the Pfandbriefe during their term.
- (2) *Accrual of Interest.* If the Issuer shall fail to redeem the Pfandbriefe when due, interest shall accrue on the principal amount of the Pfandbriefe as from (and including) the Maturity Date to (and including) the day which precedes the date of actual redemption at the default rate of interest established by law.]

**[(D) Im Fall von strukturierten variabel verzinslichen Pfandbriefen, anwendbare Bestimmungen hier einfügen.]**

**[(D) In the case of other structured Floating Rate Pfandbriefe, insert all applicable provisions regarding interest here and in the relevant Final Terms.]**

[•]

[•]

**[(E) Im Fall von indexierten Pfandbriefen, sind die anwendbaren Bestimmungen Zinsen betreffend hier und in den anwendbaren Endgültigen Bedingungen einzufügen.]**

**[(E) In the case of Index Linked Pfandbriefe relating to interest, insert all applicable provisions regarding interest here and in the relevant Final Terms.]**

[•]

[•]

**[(F) Im Fall von Equity Linked Pfandbriefen sind die anwendbaren Bestimmungen die Zinsen betreffend hier und in den anwendbaren Endgültigen Bedingungen einzufügen.]**

**[(F) In the case of Equity Linked Pfandbriefe relating to interest, insert all applicable provisions regarding interest here and in the relevant Final Terms.]**

[•]

[•]

**[(G) Im Fall von Doppelwährungs-Pfandbriefen, sind die anwendbaren Bestimmungen die Zinsen betreffend hier und in den anwendbaren Endgültigen Bedingungen einzufügen.]**

**[(G) In the case of Dual Currency Pfandbriefe relating to interest, insert all applicable provisions regarding interest here and in the relevant Final Terms.]**

[•]

[•]

**[(Zutreffende Absatzziffer einfügen)]**  
*Zinstagequotient.* "Zinstagequotient" bezeichnet im Hinblick auf die Berechnung des Zinsbetrages auf einen Pfandbrief für einen beliebigen Zeitraum (der "Zinsberechnungszeitraum"):

**[(insert relevant paragraph number)]** *Day Count Fraction.* "Day Count Fraction" means with regard to the calculation of interest on any Pfandbrief for any period of time (the "Calculation Period"):

**[Im Falle von Actual/365 oder Actual/Actual einfügen:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365 (oder, falls ein Teil dieses

**[If Actual/365 or Actual/Actual insert:** the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in

Zinsberechnungszeitraumes in ein Schaltjahr fällt, die Summe aus (A) der tatsächlichen Anzahl der in das Schaltjahr fallenden Tage des Zinsberechnungszeitraumes, dividiert durch 366, und (B) die tatsächliche Anzahl der nicht in das Schaltjahr fallenden Tage des Zinsberechnungszeitraumes, dividiert durch 365).]

**[Im Falle von festverzinslichen Pfandbriefen, falls die festgelegte Währung Euro ist und Actual/Actual (ICMA) anwendbar ist, einfügen:**

- (i) wenn der Zinsberechnungszeitraum (einschließlich des ersten, aber ausschließlich des letzten Tages dieser Periode) kürzer ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraumes fällt oder ihr entspricht, die Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum (einschließlich des ersten, aber ausschließlich des letzten Tages dieser Periode) geteilt durch das Produkt (1) der Anzahl der Tage in der Feststellungsperiode und (2) der Anzahl der Feststellungstermine (wie in § 3 (1) angegeben) in einem Kalenderjahr; oder
- (ii) wenn der Zinsberechnungszeitraum (einschließlich des ersten, aber ausschließlich des letzten Tages dieser Periode) länger ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraumes fällt, die Summe (A) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in welcher der Zinsberechnungszeitraum beginnt, geteilt durch das Produkt (1) der Anzahl der Tage in dieser Feststellungsperiode (2) der Anzahl der Feststellungstermine (wie in § 3 (1) angegeben) in einem Kalenderjahr und (B) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die nächste Feststellungsperiode fallen, geteilt durch das Produkt (1) der Anzahl der Tage in dieser Feststellungsperiode und (2) der Anzahl der Feststellungstermine (wie in § 3 (1) angegeben) in einem Kalenderjahr.

**"Feststellungsperiode"** ist die Periode ab einem Feststellungstermin (einschließlich desselben) bis zum nächsten Feststellungstermin (ausschließlich desselben).]

**[im Fall von Actual/365 (Fixed) einfügen:** die tatsächliche Anzahl von Tagen im

that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).]

**[In the case of Fixed Rate Pfandbriefe, if the Specified Currency is Euro and if Actual/Actual (ICMA) is applicable insert:**

- (i) if the Calculation Period (from and including the first day of such period but excluding the last) is equal to or shorter than the Determination Period during which the Calculation Period ends, the number of days in such Calculation Period (from and including the first day of such period but excluding the last) divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in § 3 (1)) that would occur in one calendar year; or
- (ii) if the Calculation Period is longer than the Determination Period during which the Calculation Period ends, the sum of: (A) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in § 3 (1)) and (B) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in § 3 (1)) that would occur in one calendar year.

**"Determination Period"** means the period from (and including) a Determination Date to, (but excluding) the next Determination Date.]

**[if Actual/365 (Fixed) insert:** the actual number of days in the Calculation Period

Zinsberechnungszeitraum, dividiert durch 365.]

**[im Fall von Actual/360 einfügen:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 360.]

**[im Fall von 30/360, 360/360 oder Bond Basis einfügen:** die Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist (es sei denn, (A) der letzte Tag des Zinsberechnungszeitraums fällt auf den 31. Tag eines Monats, während der erste Tag des Zinsberechnungszeitraums weder auf den 30. noch auf den 31. Tag eines Monats fällt, wobei in diesem Fall der diesen Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Zinsberechnungszeitraums fällt auf den letzten Tag des Monats Februar, wobei in diesem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist).]

**[im Fall von 30E/360 oder Eurobond Basis einfügen:** die Anzahl der Tage im Zinsberechnungszeitraum, dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des Datums des ersten oder letzten Tages des Zinsberechnungszeitraums; fällt im Falle des letzten Zinsberechnungszeitraums der letzte Tag des Zinsberechnungszeitraums auf den letzten Tag im Monat Februar, so wird der Monat Februar nicht zu einem 30-Tage-Monat verlängert).]

#### § 4 Rückzahlung

**[Im Fall von Pfandbriefen, die keine Raten-Pfandbriefe sind, ist die folgende Alternative des § 4 Absatz (1) einfügen:**

- (1) *Rückzahlung bei Endfälligkeit*

**[Bei Pfandbriefen, die keine Raten-Pfandbriefe, oder Andere Pfandbriefe sind, gilt Folgendes:** Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt, werden die Pfandbriefe zu ihrem Rückzahlungsbetrag am **[im Fall eines festgelegten Endfälligkeitstages den Endfälligkeitstag einfügen]** **[im Fall eines Rückzahlungsmonats gilt Folgendes:** in

divided by 365.]

**[if Actual/360 insert:** the actual number of days in the Calculation Period divided by 360.]

**[if 30/360, 360/360 or Bond Basis:** the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month).]

**[if 30E/360 or Eurobond Basis insert:** the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered lengthened to a 30-day month).]

#### § 4 Redemption

**[In the case of all Pfandbriefe other than Instalment Pfandbriefe, insert the following alternative of § 4 para (1):**

- (1) *Redemption at Maturity*

**[In the case of Pfandbriefe other than Instalment Pfandbriefe, or Other Pfandbriefe the following applies:** To the extent not previously redeemed in whole or in part, the Pfandbriefe shall be redeemed at their Final Redemption Amount on **[in the case of a specified Maturity Date insert such Maturity Date]** **[in the case of a Redemption Month the following applies:**

den [Rückzahlungsmonat einfügen] fallenden Zinszahlungstag] ("Endfälligkeitstag") zurückgezahlt. Der Rückzahlungsbetrag in Bezug auf jeden Pfandbrief entspricht [falls die Pfandbriefe zu ihrem Nennbetrag zurückgezahlt werden, gilt Folgendes: dem Festgelegten Nennbetrag der Pfandbriefe] [ansonsten anderweitige Bestimmungen zur Berechnung des Rückzahlungsbetrages für den Festgelegten Nennbetrag einfügen].]

the Interest Payment Date falling in [insert Redemption Month]] ("Maturity Date"). The Final Redemption Amount in respect of each Pfandbrief shall be [if the Pfandbriefe are redeemed at their principal amount the following applies: its Specified Denomination] [otherwise insert relevant provisions for the calculation of the Final Redemption Amount per Specified Denomination is applicable].]

[Im Fall von Pfandbriefen, die Raten-Pfandbriefe sind, ist die folgende Alternative des § 4 Absatz (1) einfügen:

[In the case of Instalment Pfandbriefe, insert the following alternative of § 4 para (1):

(1) *Rückzahlung bei Endfälligkeit*

(1) *Redemption at Maturity*

[Bei Raten-Pfandbriefen gilt Folgendes: Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt, werden die Pfandbriefe an dem/den nachstehenden Ratenzahlungstermin(en) zu der/den folgenden Rate(n) zurückgezahlt:

[In the case of Instalment Pfandbriefe the following applies: To the extent not previously redeemed in whole or in part, the Pfandbriefe shall be redeemed on the Instalment Date(s) and in the Instalment Amount(s) set forth below:

Ratenzahlungs- termin(e)	Raten (je Festgelegtem Nennbetrag)	Instalment Date(s)	Instalment Amounts (per Specified Denomination)
[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]

Die nachfolgenden Alternativen des § 4 Absatz (2) sind Gestaltungsvarianten zur Regelung einer Emittentenkündigung.

The following alternatives of § 4 para. (2) are drafting alternatives to provide for early redemption at the option of the Issuer.

**Alternative 1: Falls die Emittentin kein Recht hat, die Pfandbriefe vorzeitig zurückzuzahlen, gilt Folgendes:**

**Alternative 1: If there is no right to early redemption of the Pfandbriefe at the option of the Issuer, the following applies:**

[(2) Die Emittentin ist nicht berechtigt die Pfandbriefe vor dem Endfälligkeitstag zurückzuzahlen.]

[(2) The Issuer is not entitled to call the Pfandbriefe prior to the Maturity Date.]

**Alternative 2: Falls die Emittentin das Recht hat, die Pfandbriefe vorzeitig zurückzuzahlen, gilt Folgendes:**

**Alternative 2: If there is a right to early redemption of the Pfandbriefe at the option of the Issuer, the following applies:**

[(2) *Vorzeitige Rückzahlung nach Wahl der Emittentin*

[(2) *Early Redemption at the Option of the Issuer*

(a) Die Emittentin kann nach ordentlicher Kündigung gemäß Absatz (ii) die Pfandbriefe [insgesamt oder teilweise / insgesamt jedoch nicht nur teilweise] am/an den Emittentenkündigungs-Rückzahlungstag(en) zum/zu den Emittentenkündigungs-Rückzahlungsbetrag/-beträgen, wie nachstehend angegeben, nebst etwaigen bis zum Emittentenkündigungs-Rückzahlungstag (ausschließlich)

(a) The Issuer may, upon notice given in accordance with paragraph (ii), redeem the Pfandbriefe [in whole or in part / in whole but not in part] at the Optional Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the Optional Redemption Date on the Optional Redemption Date(s). [If Minimum Redemption Amount or Maximum Redemption Amount applies insert: Any

aufgelaufenen Zinsen, zurückzahlen. **[Bei Geltung eines Mindestrückzahlungsbetrages oder eines Höchstrückzahlungsbetrages einfügen:** Eine solche Rückzahlung muss in Höhe eines Nennbetrages von **[mindestens [Mindestrückzahlungsbetrag einfügen]]** **[höchstens [Höchstrückzahlungsbetrag einfügen]]** erfolgen.]

such redemption must be of a principal amount equal to **[at least [insert Minimum Redemption Amount] [no more than [insert Maximum Redemption Amount].]**

Emittenten- kündigungs- Rückzahlungs- tag(e)	Emittenten- kündigungs- Rückzahlungs- betrag/-beträge	Optional Redemption Date(s)	Optional Redemption Amount(s)
[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]

(b) Die ordentliche Kündigung erfolgt durch Bekanntmachung der Emittentin an die Pfandbriefgläubiger gemäß § 10 **[falls Emittentenkündigungs-Optionsausübungstag anwendbar ist, gilt Folgendes:** spätestens am **[Emittentenkündigungs-Optionsausübungstag einfügen]** (der "Emittentenkündigungs-Optionsausübungstag"). Diese Kündigung ist unwiderruflich und in ihr wird bestimmt:

(b) The appropriate notice is a notice given by the Issuer to the Pfandbriefholders in accordance with § 10 **[In the case of Call Option Exercise Date the following applies: no later than on the [insert Call Option Exercise Date] (the "Call Option Exercise Date")]**, which notice shall be irrevocable and shall specify:

- die zur Rückzahlung anstehende Serie;
- ob die Serie insgesamt oder teilweise zurückgezahlt wird und, im Fall der teilweisen Rückzahlung, der Gesamtnennbetrag der zur Rückzahlung anstehenden Pfandbriefe;
- der Emittentenkündigungs-Rückzahlungstag, der nicht weniger als **[Mindestkündigungsfrist einfügen]** und nicht mehr als **[Höchstkündigungsfrist einfügen]** Tage nach dem [Tag der Kündigung durch die Emittentin gegenüber den Pfandbriefgläubigern] **[dem Emittentenkündigungs-Optionsausübungstag]** liegen darf; und
- der Emittentenkündigungs-Rückzahlungsbetrag, zu dem die Pfandbriefe zurückgezahlt werden.

- the Series of Pfandbriefe subject to redemption;
- whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Pfandbriefe which are to be redeemed;
- the Optional Redemption Date, which shall be not less than **[insert Minimum Notice Period to Pfandbriefholders]** nor more than **[insert Maximum Notice to Pfandbriefholders]** days after the [date on which notice is given by the Issuer to the Pfandbriefholders] **[the Call Option Exercise Date]**; and
- the Optional Redemption Amount at which such Pfandbriefe are to be redeemed.

**[(c)** Wenn die Pfandbriefe nur teilweise zurückgezahlt werden, werden die zurückzuzahlenden Pfandbriefe nach den Regeln des betreffenden Clearing Systems ausgewählt 1

**[(c)]** In the case of a partial redemption of Pfandbriefe, Pfandbriefe to be redeemed shall be selected in accordance with the rules of the relevant Clearing System.]

ausgewählt.]

[(d)] Die Emittentin wird jeder Börse, an der die Pfandbriefe notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, umgehend Mitteilung über die Kündigung machen.]

**[Im Fall eines anderen Rechtes der Emittentin entsprechende Bestimmungen einfügen.]**

**[•]**

(3) *Rückkauf*

Die Emittentin kann jederzeit Pfandbriefe auf dem freien Markt oder anderweitig sowie zu jedem beliebigen Preis erwerben. Derartig erworbene Pfandbriefe können getilgt, gehalten oder wieder veräußert werden.

**[Der folgende § 4 Absatz (4) ist zur Bestimmung des vorzeitigen Rückzahlungsbetrages bei Pfandbriefen anwendbar, die ein vorzeitiges Kündigungsrecht vorsehen:**

(4) Der "**Vorzeitige Rückzahlungsbetrag**" der Pfandbriefe ist [der Festgelegte Nennbetrag der Pfandbriefe] [zuzüglich bis zum Tag der Rückzahlung (ausschließlich) aufgelaufener Zinsen] [und aller ausstehenden Zinsrückstände] [der Amortisationsbetrag] **[andere Bestimmungen einfügen].]**

**[Handelt es sich bei den einer vorzeitigen Kündigung unterliegenden Pfandbriefen um Nullkupon-Pfandbriefe, ist § 4 Absatz (4) zur Regelung des Rückkaufs um die folgenden Absätze zu ergänzen:**

(a) Vorbehaltlich der nachfolgenden Bestimmungen unter (b) ist der "**Amortisationsbetrag**" eines solchen Pfandbriefs der vorgesehene Rückzahlungsbetrag eines solchen Pfandbriefs am Endfälligkeitstag, abgezinst mit einem jährlichen Satz (als Prozentsatz ausgedrückt) in Höhe [der Emissionsrendite] [eines Satzes, der einem Amortisationsbetrag in Höhe des Ausgabepreises der Pfandbriefe entspräche, würden diese am Ausgabebetrag auf ihren Ausgabepreis abgezinst], auf Basis einer jährlichen Verzinsung bereits aufgelaufener Zinsen.

(b) Wird der Vorzeitige Rückzahlungsbetrag, der im Hinblick auf einen solchen Pfandbrief bei deren Rückzahlung gemäß § 4(2) zahlbar ist, nicht rechtzeitig gezahlt, so ist der für einen solchen Pfandbrief fällige Vorzeitige Rückzahlungsbetrag der

[(d)] The Issuer will inform, if required by such stock exchange on which the Pfandbriefe are listed, such stock exchange, as soon as possible of such redemption.]

**[In the case of any other Issuer's option insert applicable provision.]**

**[•]**

(3) *Purchase*

The Issuer may at any time purchase Pfandbriefe in the open market or otherwise and at any price. Such acquired Pfandbriefe may be cancelled, held or resold.

**[The following § 4 para. (4) shall apply in the case of Pfandbriefe which provide for an early redemption right for the purposes of determining the early redemption amount:**

(4) The "**Early Redemption Amount**" of the Pfandbriefe will be [the Specified Denomination of the Pfandbriefe] [plus accrued interest to but excluding the date of redemption] [and all outstanding Arrears of Interest] [the Amortised Face Amount] **[insert other applicable provisions].]**

**[If the Pfandbriefe subject to early redemption are Zero Coupon Pfandbriefe, the following paragraphs shall be added to § 4 para. (4) to provide for early redemption:**

(a) Subject to the provisions of sub-paragraph (b) below, the "**Amortised Face Amount**" of any such Pfandbrief shall be the scheduled Final Redemption Amount of such Pfandbrief on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to [the Amortisation Yield] [such rate as would produce an Amortised Face Amount equal to the issue price of the Pfandbriefe if they were discounted back to their issue price on the Issue Date] compounded annually.

(b) If the Early Redemption Amount payable in respect of any such Pfandbrief upon its redemption pursuant to § 4(2) is not paid when due, the Early Redemption Amount due and payable in respect of such Pfandbrief shall be the Amortised Face

Amortisationsbetrag dieses Pfandbriefs, wie vorstehend in (a) definiert, jedoch mit der Maßgabe, dass als Tag, an dem der Pfandbrief zur Rückzahlung fällig wird, der entsprechende maßgebliche Tag anzusehen ist. Die Berechnung des Amortisationsbetrages in Übereinstimmung mit dieser Klausel wird bis zum Stichtag (§ 6) fortgeführt (sowohl vor als auch nach einem etwaigen Gerichtsurteil), es sei denn, der Stichtag fällt auf den, oder liegt nach dem Endfälligkeitstag; in letzterem Fall ist der fällige Betrag der Rückzahlungsbetrag dieses Pfandbriefs am Endfälligkeitstag, zuzüglich gemäß § 3 aufgelaufener Zinsen.

Ist eine solche Rechnung für einen Zeitraum von weniger als einem Jahr aufzustellen, so liegt ihr der Zinstagequotient (§ 3) zu Grunde.]

## § 5 Zahlungen

(1)[(a)] *Zahlungen auf Kapital.* Zahlungen auf Kapital in bezug auf die Pfandbriefe erfolgen nach Maßgabe des nachstehenden Absatzes 2 an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.

**[Im Fall von Pfandbriefen, die keine Nullkupon-Pfandbriefe sind, den folgenden § 5 Absatz (1)(b) einfügen:**

(b) *Zahlung von Zinsen.* Die Zahlung von Zinsen auf Pfandbriefe erfolgt nach Maßgabe des nachstehenden Absatzes 2 an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.

**[Im Fall von Zinszahlungen auf eine vorläufige Globalurkunde einfügen:** Die Zahlung von Zinsen auf Pfandbriefe, die durch die vorläufige Globalurkunde verbrieft sind, erfolgt darüber hinaus nach ordnungsgemäßer Bescheinigung gemäß § 1 Absatz 3(b).]

(2) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Pfandbriefe in der frei handelbaren und konvertierbaren Währung, die am entsprechenden Fälligkeitstag die Währung des Staates der Festgelegten Währung ist. Sollte die Festgelegte Währung am Fälligkeitstag auf Grund gesetzlicher Vorschriften ersetzt worden sein, erfolgt die Zahlung in dieser durch das Gesetz vorgeschriebenen Währung. Sofern durch eine

Amount of such Pfandbrief as defined in sub-paragraph (a) above, except that such sub-paragraph shall have effect as though the date on which the Pfandbrief becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (as well after as before judgment) until the Relevant Date (§ 6), unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Pfandbrief on the Maturity Date together with interest accrued in accordance with § 3.

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction (§ 3).]

## § 5 Payments

(1)[(a)] *Payment of Principal.* Payment of principal in respect of Pfandbriefe shall be made, subject to subparagraph (2) below, to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

**[In the case of Pfandbriefe other than Zero Coupon Pfandbriefe insert the following § 5 para. (1)(b):**

(b) *Payment of Interest.* Payment of interest on Pfandbriefe shall be made, subject to subparagraph (2) below, to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

**[In the case of interest payable on a Temporary Global Pfandbrief insert:** Payment of interest on Pfandbriefe represented by the Temporary Global Pfandbrief shall only be made upon due certification as provided in § 1(3) (b).]

(2) Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Pfandbriefe shall be made in the freely negotiable and convertible currency which on the respective due date is the currency of the country of the Specified Currency. Should the Specified Currency have been replaced on the due date under any applicable legal provision, payments shall be made in such legally prescribed currency. If, as a result of such legal changes, there are several currencies to choose from, the Issuer



solche gesetzliche Änderung mehrere Währungen zur Auswahl stehen, wird die Emittentin nach billigem Ermessen eine Währung auswählen. Dies gilt auch, wenn eine Zahlung aus sonstigen Gründen in der Festgelegten Währung nicht möglich sein sollte.

- (3) *Erfüllung.* Die Emittentin wird durch Leistung der Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.
- (4) *Zahltag.* Fällt der Fälligkeitstag einer Zahlung in Bezug auf einen Pfandbrief auf einen Tag, der kein Zahltag ist, dann hat der Pfandbriefgläubiger keinen Anspruch auf Zahlung vor dem Zahltag, an dem die betreffende Zahlung gemäß der Geschäftstageskonvention zu erfolgen hat, am jeweiligen Geschäftsort. Der Pfandbriefgläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen auf Grund einer etwaigen Anpassung zu verlangen.

Für diese Zwecke bezeichnet "**Zahltag**" einen Tag (außer einem Samstag oder Sonntag), an dem (i) das Clearing System und (ii) **[falls die Festgelegte Währung nicht Euro ist, einfügen:** [Geschäftsbanken und Devisenmärkte in **[sämtliche relevanten Finanzzentren einfügen]]**[dem Hauptfinanzzentrum des Landes der Festgelegten Währung] Zahlungen abwickeln] **[falls die Festgelegte Währung Euro ist, einfügen:** das Trans-European Automated Real-time Gross settlement Express Transfer (TARGET) System Zahlungen abwickelt].**[•]**

- (5) *Bezugnahmen auf Kapital* Bezugnahmen in diesen Emissionsbedingungen auf Kapital der Pfandbriefe schließen, soweit anwendbar, die folgenden Beträge ein: den Rückzahlungsbetrag der Pfandbriefe; **[falls die Emittentin das Wahlrecht hat, die Pfandbriefe vorzeitig zurückzuzahlen, einfügen:** den Wahl-Rückzahlungsbetrag (Call) der Pfandbriefe;] sowie jeden Aufschlag sowie sonstige auf oder in bezug auf die Pfandbriefe zahlbaren Beträge.
- (6) *Hinterlegung von Kapital und Zinsen.* Die Emittentin ist berechtigt, beim Amtsgericht **[•]** Zins- oder Kapitalbeträge zu hinterlegen, die von den Pfandbriefgläubigern nicht innerhalb von zwölf Monaten nach dem Fälligkeitstag beansprucht worden sind, auch wenn die Pfandbriefgläubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt, und auf das Recht der Rücknahme verzichtet wird, erlöschen die

shall choose a currency in its reasonable discretion. This shall also apply if payment in the Specified Currency is not possible for any other reason.

- (3) *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Clearing System.
- (4) *Payment Business Day.* If the due date for payment of any amount in respect of any Pfandbrief is not a Payment Business Day then the Pfandbriefholder shall not be entitled to payment until such day, on which the relevant payment has to be made in accordance with the Business Day Convention in the relevant place and shall not be entitled to further interest or other payment in respect of a potential adjustment.

For these purposes, "**Payment Business Day**" means a day which is a day (other than a Saturday or a Sunday) on which both (i) the Clearing System, and (ii) **[if the Specified Currency is not euro insert:** [commercial banks and foreign exchange markets in **[insert all relevant Financial Centres]]**[in the principal financial centre of the country of the Specified Currency] **[if the Specified Currency is euro insert:** the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET) System] settle(s) payments. **[•]**

- (5) *References to Principal* References in these Terms and Conditions to principal in respect of the Pfandbriefe shall be deemed to include, as applicable: the Final Redemption Amount of the Pfandbriefe; **[if the Pfandbriefe are redeemable at the option of the Issuer insert:** the Call Redemption Amount of the Pfandbriefe;] and any premium and any other amounts which may be payable under or in respect of the Pfandbriefe.
- (6) *Deposit of Principal and Interest.* The Issuer may deposit with the *Amtsgericht* in **[•]** principal or interest not claimed by Pfandbriefholders within twelve months after the due date, even though such Pfandbriefholders may not be in default of acceptance of payment. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Pfandbriefholders against the Issuer shall

jeweiligen Ansprüche der Pfandbriefgläubiger gegen die Emittentin.

**§ 6 Der Fiscal Agent [und] [,] [die Berechnungsstelle] [und die Zahlstellen]**

- (1) *Bestellung; bezeichnete Geschäftsstelle.* Der Fiscal Agent [, die Hauptzahlstelle] [, die weiteren Zahlstellen] [, und die Berechnungsstelle] sind nachstehend mit den benannten anfänglichen Geschäftsstellen aufgeführt:

[Fiscal Agent:            **•**]

[Hauptzahlstelle:       **•**]

[Zahlstelle(n):           **•**]

[Berechnungs-           **•**  
stelle:

Der Fiscal Agent [, die Hauptzahlstelle] [, die weiteren Zahlstellen] [und die Berechnungsstelle] [behält] [behalten] sich das Recht vor, jederzeit [seine] [ihre] bezeichnete[n] Geschäftsstelle[n] durch eine andere bezeichnete Geschäftsstelle in derselben Stadt zu ersetzen. Die Bezeichnungen "**Zahlstellen**" und "**Zahlstelle**" schließt, soweit der Zusammenhang nichts anderes verlangt, die Hauptzahlstelle ein.

- (2) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, die Ernennung des Fiscal Agent, der Hauptzahlstelle, der Zahlstellen [und eine Berechnungsstelle] jederzeit anders zu regeln oder zu beenden und einen anderen Fiscal Agent oder zusätzliche oder andere zu ernennen. Sie wird sicherstellen, dass jederzeit (i) ein Fiscal Agent [und eine Berechnungsstelle], [(ii) eine Zahlstelle (die die Hauptzahlstelle sein kann) mit einer Geschäftsstelle in einer Stadt auf dem europäischen Festland,] [(iii) eine Zahlstelle mit einer Geschäftsstelle außerhalb der Europäischen Gemeinschaft,] [(iv) eine Zahlstelle in einem Mitgliedsstaat der Europäischen Union, sofern dies in irgendeinem Mitgliedsstaat der Europäischen Union möglich ist, die nicht gemäß der Richtlinie 2003/48/EG des Rates oder einer anderen die Ergebnisse des Ministerrattreffens der Finanzminister der Europäischen Union vom 3. Juni 2003 umsetzenden Richtlinie der Europäischen Union bezüglich der Besteuerung von Kapitaleinkünften oder gemäß eines Gesetzes, das eine solche Umsetzung bezweckt, zur Einbehaltung oder

cease.

**§ 6 The Fiscal Agent [and] [,] [The Calculation Agent] [and the Paying Agents]**

- (1) *Appointment; Specified Office* The initial Fiscal Agent [, the Principal Paying Agent] [, the further Paying Agents] [and the Calculation Agent] and [its] [their] initial specified office[s] shall be:

[Fiscal Agent:            **•**]

[Principal Paying       **•**  
Agent:

[Paying Agent(s):       **•**]

[Calculation             **•**  
Agent:

The Fiscal Agent [, the Principal Paying Agent] [, the further Paying Agents] [and the Calculation Agent] reserve[s] the right at any time to change [its] [their] specified office[s] to some other specified office in the same city. The terms "**Paying Agents**" and "**Paying Agent**" shall include the Principal Paying Agent, unless the context requires otherwise.

- (2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, the Principal Paying Agent, and any Paying Agent [and a Calculation Agent] and to appoint another Fiscal Agent or additional or other Paying Agents provided that it will at all times maintain (i) a Fiscal Agent [and a Calculation Agent], [(ii) a Paying Agent (which may be the Principal Paying Agent) with a specified office in a continental European city,] [(iii) a Paying Agent with a specified office outside the European Union,] [(iv) a Paying Agent in an EU member state, if any, that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 3 June 2003 on the taxation of savings income or any law implementing or complying with, or introduced to conform to, such Directive, and (v) so long as the Pfandbriefe are listed on a stock exchange, a Paying Agent (which may be the Principal Paying Agent) with a specified office in such city as may be required by the rules of the relevant stock exchange].

zum Abzug von Quellensteuern oder sonstigen Abzügen verpflichtet ist,] [und] [(v) so lange die Pfandbriefe an einer Börse notiert werden, eine Zahlstelle (die die Hauptzahlstelle sein kann) mit einer benannten Geschäftsstelle an dem von der betreffenden Börse vorgeschriebenen Ort] bestimmt ist.

Die Emittentin wird eine Änderung, Abberufung, Bestellung oder einen sonstigen Wechsel unverzüglich gemäß § 10 bekannt machen.

- (3) *Beauftragte der Emittentin.* Der Fiscal Agent [und die Berechnungsstelle] [handelt] [handeln] ausschließlich als Beauftragte[r] der Emittentin und [übernimmt] [übernehmen] keinerlei Verpflichtungen gegenüber den Pfandbriefgläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen [ihm] [ihnen] und den Pfandbriefgläubigern begründet.

#### § 7 Steuern

Sämtliche Zahlungen von Kapital und Zinsen in Bezug auf die Pfandbriefe werden ohne Einbehalt oder Abzug von Steuern, Abgaben, Festsetzungen oder behördlicher Gebühren jedweder Art geleistet, die von der Bundesrepublik Deutschland oder einer ihrer Gebietskörperschaften oder Behörden mit der Befugnis zur Erhebung von Steuern auferlegt, erhoben, eingezogen, einbehalten oder festgesetzt werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben.

#### § 8 Vorlegungsfrist

Die Vorlegungsfrist gemäß § 801 Absatz 1 Satz 1 BGB für fällige Pfandbriefe wird auf zehn Jahre verkürzt. Die Verjährungsfrist für innerhalb der Vorlegungsfrist zur Zahlung vorgelegte Pfandbriefe beträgt zwei Jahre von dem Ende der betreffenden Vorlegungsfrist an.

#### § 9 Begebung weiterer Pfandbriefe, Ankauf und Entwertung

- (1) *Begebung weiterer Pfandbriefe.* Die Emittentin behält sich das Recht vor, ohne Zustimmung der Pfandbriefgläubiger weitere Pfandbriefe mit gleicher Ausstattung (gegebenenfalls mit Ausnahme der ersten Zinszahlung) wie die vorliegenden Pfandbriefe zu begeben, so dass sie mit diesen eine Einheit bilden. Der Begriff "**Pfandbriefe**" umfasst im Fall einer solchen weiteren Begebung auch solche zusätzlich

The Issuer shall without undue delay notify the Pfandbriefholders of any variation, termination, appointment or change in accordance with § 10.

- (3) *Agent of the Issuer.* The Fiscal Agent [and the Calculation Agent] act[s] solely as the agent[s] of the Issuer and [does] [do] not assume any obligations towards or relationship of agency or trust for any Pfandbriefholder.

#### § 7 Taxation

All payments of principal and interest in respect of the Pfandbriefe will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Federal Republic of Germany (as the case may be) or any political subdivision or any authority of the Federal Republic of Germany (as the case may be) that has power to tax, unless that withholding or deduction is required by law.

#### § 8 Presentation period

The period for presentation of Pfandbriefe due, as established in § 801 paragraph 1 sentence 1 of the German Civil Code (Bürgerliches Gesetzbuch), is reduced to ten years. The period for prescription for Pfandbriefe presented for payment during the presentation period shall be two years beginning at the end of the relevant presentation period.

#### § 9 Further Issues, Purchases and Cancellation

- (1) *Further Issues.* The Issuer reserves the right from time to time, without the consent of the Pfandbriefholders to issue additional notes with identical terms and conditions as the Pfandbriefe in all respects (or in all respects except for the first payment of interest, if any, on them) so as to be consolidated and form a single series with such Pfandbriefe. The term "**Pfandbriefe**" shall, in the event of such further

begebenen Pfandbriefe.

- (2) *Ankauf.* Die Emittentin ist berechtigt, jederzeit Pfandbriefe im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Pfandbriefe können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei dem Fiscal Agent zwecks Entwertung eingereicht werden. Sofern diese Käufe durch öffentliches Angebot erfolgen, muss dieses Angebot allen Pfandbriefgläubigern gemacht werden.
- (3) *Entwertung.* Sämtliche vollständig zurückgezahlten Pfandbriefe sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

#### § 10 Mitteilungen

- (1) *Bekanntmachung.* Alle die Pfandbriefe betreffenden Bekanntmachungen werden in einem überregionalen Pflichtblatt der Wertpapierbörse veröffentlicht, an der die Pfandbriefe zum Börsenhandel zugelassen sind und immer gemäß den Bestimmungen der jeweiligen Börsen, an denen die Pfandbriefe notiert sind. Die Emittentin wird sicherstellen, dass alle Bekanntmachungen ordnungsgemäß in Übereinstimmung mit den Erfordernissen der zuständigen Stellen der jeweiligen Börsen, an denen die Pfandbriefe notiert sind, erfolgen. **[Im Falle einer Notierung an der Börse Düsseldorf einfügen:** Für die Dauer der Notierung der Pfandbriefe an der Börse Düsseldorf und soweit deren Regelwerk dies verlangt, werden Mitteilungen an die Anleihegläubiger in mindestens einem überregionalen Börsenpflichtblatt der Börse Düsseldorf (voraussichtlich in der *Börsen-Zeitung*) veröffentlicht werden.] **[Im Falle einer Notierung an der Luxemburger Börse einfügen:** Für die Dauer der Notierung der Pfandbriefe an der Luxemburger Börse und soweit deren Regelwerk dies verlangt werden Mitteilungen an die Pfandbriefgläubiger in einer in Luxemburg erscheinenden Tageszeitung mit allgemeiner Verbreitung veröffentlicht (voraussichtlich im *d'Wort*).] Jede derartige Bekanntmachung gilt mit dem Tage der ersten Veröffentlichung als wirksam erfolgt.

#### [(2)] *Mitteilungen an das Clearing System.*

Die Emittentin ist berechtigt, eine Zeitungsveröffentlichung nach § 10 Absatz (1) durch eine Mitteilung an das Clearing System zur Weiterleitung an die Pfandbriefgläubiger zu ersetzen, vorausgesetzt, dass in Fällen, in

issue, also comprise such further notes.

- (2) *Purchases.* The Issuer may at any time purchase Pfandbriefe in the open market or otherwise and at any price. Pfandbriefe purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Fiscal Agent for cancellation. If purchases are made by tender, tenders for such Pfandbriefe must be made available to all Pfandbriefholders of such Pfandbriefe alike.
- (3) *Cancellation.* All Pfandbriefe redeemed in full shall be cancelled forthwith and may not be reissued or resold.

#### § 10 Notices

- (1) *Publication.* Notices to Pfandbriefholders relating to the Pfandbriefe will be published in a leading newspaper having general circulation and being a newspaper for statutory stock market notices of the Stock Exchange on which the Pfandbriefe are listed, and in any case in accordance with the rules of each stock exchange on which the Pfandbriefe are listed. The Issuer shall also ensure that notices are duly published in compliance with the requirements of the relevant authority of each stock exchange on which the Pfandbriefe are listed. **[in the case of listing at the Düsseldorf Stock Exchange insert:** So long as the Pfandbriefe are listed on the Düsseldorf Stock Exchange and the rules of the Düsseldorf Stock Exchange so require, notices to the Noteholders shall be published in at least one national newspaper recognised (*überregionales Börsenpflichtblatt*) by the Düsseldorf Stock Exchange (expected to be the *Börsen-Zeitung*).] **[in the case of listing at the Luxembourg Stock Exchange insert:** So long as the Pfandbriefe are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, notices to the Pfandbriefholders shall be published in a daily newspaper with general circulation in Luxembourg (which is expected to be the *d'Wort*).] Any notice so given will be deemed to have been validly given on the date of first such publication.

#### [(2)] *Notification to Clearing System.*

The Issuer may, in lieu of publication in the newspapers set forth in § 10 (1) above, deliver the relevant notice to the Clearing System, for communication by the Clearing System to the Pfandbriefholders, provided that, so long as

denen die Pfandbriefe an einer Börse notiert sind, die Regeln dieser Börse diese Form der Mitteilung zulassen. Jede derartige Mitteilung gilt am [●] Tag nach dem Tag der Mitteilung an das Clearing System als den Pfandbriefgläubigern mitgeteilt.

any Pfandbriefe are listed on any stock exchange, the rules of such stock exchange permit such form of notice. Any such notice shall be deemed to have been given to the Pfandbriefholders on the [●] day after the day on which the said notice was given to the Clearing System.

**§ 11 Anwendbares Recht, Gerichtsstand und gerichtliche Geltendmachung**

- (1) *Anwendbares Recht.* Form und Inhalt der Pfandbriefe sowie alle sich daraus ergebenden Rechte und Pflichten bestimmen sich ausschließlich nach dem Recht der Bundesrepublik Deutschland.
- (2) *Gerichtsstand.* Nicht-ausschließlicher Gerichtsstand für alle sich aus den in diesen Bedingungen geregelten Rechtsverhältnissen ergebenden Rechtsstreitigkeiten mit der Emittentin ist [●]. Erfüllungsort ist [●]. Die Zuständigkeit des vorgenannten Gerichts ist ausschließlich, soweit es sich um Rechtsstreitigkeiten handelt, die von Kaufleuten, juristischen Personen des öffentlichen Rechts, öffentlich-rechtlichen Sondervermögen und Personen ohne allgemeinen Gerichtsstand in der Bundesrepublik Deutschland angestrengt werden.
- (3) *Kraftloserklärung.* Die Gerichte der Bundesrepublik Deutschland sind ausschließlich zuständig für die Kraftloserklärung abhanden gekommener oder vernichteter Pfandbriefe.

**§ 12 Sprache**

Diese Bedingungen sind in [englischer] [deutscher] Sprache abgefasst. Eine Übersetzung in die [deutsche] [englische] Sprache ist beigelegt. Der [englische] [deutsche] Text ist bindend und maßgeblich. Die Übersetzung in die [deutsche] [englische] Sprache ist unverbindlich.

**§ 11 Applicable Law, Place of Jurisdiction and Enforcement**

- (1) *Applicable Law.* The form and content of the Pfandbriefe as well as all the rights and duties arising therefrom are governed exclusively by the laws of the Federal Republic of Germany
- (2) *Submission to Jurisdiction.* Non-exclusive court of venue for all litigation with the Issuer arising from the legal relations established in these Conditions is [●]. Place of performance is [●]. The jurisdiction of such Court shall be exclusive if Proceedings are brought by merchants (*Kaufleute*), legal persons under public law (*juristische Personen des öffentlichen Rechts*), special funds under public law (*öffentlich-rechtliche Sondervermögen*) and persons not subject to the general jurisdiction of the courts of the Federal Republic of Germany (*Personen ohne allgemeinen Gerichtsstand in der Bundesrepublik Deutschland*).
- (3) *Annulment.* The courts in the Federal Republic of Germany shall have exclusive jurisdiction over the annulment of lost or destroyed Pfandbriefe.

**§ 12 Language**

These Conditions are written in the [English] [German] language and provided with a [German] [English] language translation. The [English] [German] text shall be prevailing and binding. The [German] [English] language translation is provided for convenience only.

**Schedule 3:  
Terms and Conditions of Jumbo Pfandbriefe and  
Global Pfandbrief Issues**

**Emissionsbedingungen für Jumbo-Pfandbriefe und  
Pfandbrief-Globalanleihen**

The Terms and Conditions set forth below, as amended by the Final Terms, will apply to the Pfandbriefe to be issued under the Programme. Conditions which need to be completed, as indicated by a placeholder, and specified drafting alternatives will be determined by the Final Terms relating to the relevant issue of Pfandbriefe.

Auf die unter dem Angebotsprogramm zu begebenden Pfandbriefe kommen die nachfolgend abgedruckten, jeweils durch die Endgültigen Bedingungen angepassten Emissionsbedingungen zur Anwendung. Durch einen Platzhalter gekennzeichnete ausfüllungsbedürftige Bedingungen sowie vorgegebene Gestaltungsalternativen werden durch die Endgültigen Bedingungen für die jeweilige Emission von Pfandbriefen festgelegt.

**§ 1 Form und Nennbetrag**

- (1) Die von der WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, Münster (nachstehend die "Emittentin" genannt) begebenen **[Zinssatz einfügen]% [im Fall von Hypothekendarfandbriefen einfügen: [Globale] Hypothekendarfandbriefe] [im Fall von Öffentlichen Pfandbriefen einfügen: [Globale] Öffentliche Pfandbriefe]** im Gesamtnennbetrag von EUR **[Gesamtnennbetrag einfügen]** (in Worten: **[Gesamtnennbetrag in Worten einfügen]** Euro) sind eingeteilt in **[Anzahl der Stücke einfügen]** auf den Inhaber lautende, untereinander gleichberechtigte **[im Fall von Hypothekendarfandbriefen einfügen: Hypothekendarfandbriefe] [im Fall von Öffentlichen Pfandbriefen einfügen: Öffentliche Pfandbriefe]** (nachstehend die "Pfandbriefe" oder die "Emission" genannt) im Nennbetrag von je Euro **[Nennbetrag einfügen]**.
- (2) Die Pfandbriefe samt Zinsansprüchen sind für die gesamte Laufzeit der Emission in einer auf den Inhaber lautenden Globalurkunde (die "Globalurkunde") ohne Zinsscheine verbrieft. Die Globalurkunde wird bei der Clearstream Banking AG, Frankfurt am Main (der "CBF") oder deren Rechtsnachfolger solange hinterlegt bleiben, bis alle Verpflichtungen der Emittentin aus den Pfandbriefen erfüllt sind.
- (3) Die Lieferung effektiver Pfandbriefe oder Zinsscheine oder die Umschreibung eines

**§ 1 Form and Principal Amount**

- (1) The issue of WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG, Münster (hereinafter the "Issuer") of **[insert rate of interest]% [in the case of Mortgage Pfandbriefe insert: [Global] Mortgage Pfandbriefe] [in the case of Public Sector Pfandbriefe insert: [Global] Public Sector Pfandbriefe]** in the aggregate principal amount of EUR **[insert aggregate principal amount]** (in words: Euro **[insert aggregate principal amount in words]**) is divided into **[insert number of Notes] [in the case of Mortgage Pfandbriefe insert: Mortgage Pfandbriefe] [in the case of Public Sector Pfandbriefe insert: Public Sector Pfandbriefe]** in bearer form (hereinafter the "Pfandbriefe" or the "Issue", respectively) ranking *pari passu* among themselves, in the principal amount of EUR **[insert principal amount]** each.
- (2) During the entire term of the Issue, the Pfandbriefe together with interest claims are represented by a global note without interest coupons (the "Global Note") in bearer form. The Global Note will be kept in custody with Clearstream Banking AG, Frankfurt am Main ("CBF") or its successor in business until all obligations of the Issuer under the Pfandbriefe have been satisfied.
- (3) The delivery of definitive Pfandbriefe or interest coupons or the conversion

Pfandbriefes auf den Namen eines bestimmten Berechtigten kann während der gesamten Laufzeit der Emission nicht verlangt werden.

- (4) Die Globalurkunde trägt die eigenhändige Unterschrift von zwei vertretungsberechtigten Personen der Emittentin und des staatlich bestellten Treuhänders.

## § 2 Verzinsung

- (1) Die Pfandbriefe werden vom [Verzinsungsbeginn einfügen] an mit [Zinssatz einfügen]% p.a. verzinst. Die Zinsen sind jährlich nachträglich am [Festzinstermine einfügen] eines jeden Jahres zahlbar. Die erste Zinszahlung erfolgt am [erster Festzinstermine einfügen]. Der Zinslauf der Pfandbriefe endet an dem Tag (einschließlich), der dem Endfälligkeitstag (wie in §3(1) definiert) vorausgeht.
- (2) Falls die Emittentin die Pfandbriefe am Endfälligkeitstag nicht einlöst, endet die Verzinsung der Pfandbriefe nicht an dem Tag (einschließlich), der dem Endfälligkeitstag vorausgeht, sondern erst an dem Tag (einschließlich), der der tatsächlichen Rückzahlung der Pfandbriefe vorausgeht. Die Verzinsung des ausstehenden Nennbetrages vom Tag der Fälligkeit an (einschließlich) bis zum Tag der Rückzahlung der Pfandbriefe (ausschließlich) erfolgt in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen.
- (3) Sind Zinsen für einen Zeitraum von weniger als einem Jahr zu berechnen, erfolgt die Berechnung auf der Grundlage der tatsächlich verstrichenen Tage, geteilt durch 365 oder (wenn das betreffende Zinsjahr einen 29. Februar enthält) geteilt durch 366.

## § 3 Fälligkeit, Kündigung

- (1) Die Pfandbriefe werden am [festgelegten Endfälligkeitstag einfügen] (der "Endfälligkeitstag") zum Nennbetrag zurückgezahlt.
- (2) Die Pfandbriefe sind sowohl für die Emittentin als auch für die Pfandbriefgläubiger der Pfandbriefe (die "Pfandbriefgläubiger") unkündbar.

## § 4 Zahlungen

- (1) Sämtliche zahlbaren Beträge an Kapital und

(Umschreibung) of a Pfandbrief to the name of a certain person entitled may not be requested during the entire term of the Issue.

- (4) The Global Note shall be signed manually by two authorized representatives of the Issuer and the trustee officially appointed.

## § 2 Interest

- (1) The Pfandbriefe shall bear interest at the rate of [insert rate of interest]% p.a. as from [insert interest commencement date]. Interest shall be payable annually in arrears on [insert fixed interest date or dates] in each year. The first interest payment shall be made on [insert first interest payment date]. The Pfandbriefe shall cease to bear interest upon the day (including) preceding the maturity date (as defined in § 3(1)).
- (2) If the Issuer shall fail to redeem the Pfandbriefe when due, interest shall not cease to accrue on (and including) the day which precedes the due date, but shall continue to accrue until (and including) the day which precedes actual redemption of the Pfandbriefe. Interest shall continue to accrue on the outstanding principal amount of the Pfandbriefe from the due date (inclusive) until the date of redemption of the Pfandbriefe (exclusive) at the default rate of interest established by law.
- (3) If interest is to be calculated for a period of less than one year, it shall be calculated on the basis of the actual number of days elapsed, divided by 365 or 366 (if the respective interest period contains a 29 February).

## § 3 Maturity, Early Redemption

- (1) The Pfandbriefe shall be redeemed at their principal amount on [insert specified maturity date] (the "Maturity Date").
- (2) Neither the Issuer nor the holders of the Pfandbriefe ("Pfandbriefholders") shall be entitled to call for early redemption of the Pfandbriefe.

## § 4 Payments

- (1) All payments of principal and interest on the

Zinsen auf die Pfandbriefe sind an CBF zwecks Gutschrift auf die Konten der jeweiligen CBF-Kontoinhaber zur Weiterleitung an die Pfandbriefgläubiger zu zahlen. Die Emittentin wird durch die Zahlung an CBF oder deren Order von ihrer Zahlungspflicht in Höhe der geleisteten Zahlungen befreit.

- (2) Falls ein Fälligkeitstag für eine Zahlung auf einen Tag fällt, der kein Geschäftstag ist, wird die Zahlung auf den nächstfolgenden Geschäftstag verschoben, ohne dass wegen dieser Verschiebung zusätzliche Zinsen zu leisten sind. "**Geschäftstag**" ist ein Tag (außer einem Samstag oder einem Sonntag), an dem CBF und das Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET) Zahlungen abwickeln.

#### § 5 Status

Die Verpflichtungen aus den Pfandbriefen stellen unmittelbare und unbedingte Verpflichtungen der Emittentin dar. Die Pfandbriefe sind nach Maßgabe des Pfandbriefgesetzes gedeckt und stehen in gleichem Rang mit allen anderen Verpflichtungen aus [im Fall von **Hypothekendarlehen** einfügen: Hypothekendarlehen] [im Fall von **Öffentlichen Pfandbriefen** einfügen: Öffentlichen Pfandbriefen] der Emittentin.

#### § 6 Steuern

Sämtliche Zahlungen der Emittentin von Kapital und Zinsen auf die Pfandbriefe werden unter Abzug oder Einbehalt von Steuern oder sonstigen Abgaben gezahlt, falls ein solcher Abzug oder Einbehalt gesetzlich vorgeschrieben ist.

#### § 7 Bekanntmachungen

- (1) *Bekanntmachung.* Alle die Pfandbriefe betreffenden Bekanntmachungen werden in einem überregionalen Pflichtblatt der Wertpapierbörse veröffentlicht, an der die Pfandbriefe zum Börsenhandel zugelassen sind und immer gemäß den Bestimmungen der jeweiligen Börsen, an denen die Pfandbriefe notiert sind. Die Emittentin wird sicherstellen, dass alle Bekanntmachungen ordnungsgemäß in Übereinstimmung mit den Erfordernissen der zuständigen Stellen der jeweiligen Börsen, an denen die Pfandbriefe notiert sind, erfolgen. [Im Falle einer Notierung an der Börse Düsseldorf einfügen: Für die Dauer der Notierung der

Pfandbriefe shall be made to CBF for the purpose of crediting such payments to the accounts of the respective CBF-Accountholders for transfer to the Pfandbriefholders. The Issuer shall be discharged by payment to, or to the order of, CBF in the amount of the payment.

- (2) If any payment due would otherwise fall on a day, which is not a Business Day, it shall be postponed to the next day, which is a Business Day and no further interest shall be paid in respect of the delay in such payment. "**Business Day**" means a day (other than a Saturday or a Sunday) on which both the CBF and the Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET) settle payments.

#### § 5 Status

The obligations under the Pfandbriefe constitute direct and unconditional obligations of the Issuer. The Pfandbriefe are covered in accordance with the Pfandbrief Act (*Pfandbriefgesetz*) and rank *pari passu* with all other obligations of the Issuer under [in the case of **Mortgage Pfandbriefe insert: Mortgage**][in the case of **Public Sector Pfandbriefe insert: Public**] Pfandbriefe.

#### § 6

#### Taxes

All payments of principal and interest by the Issuer on the Pfandbriefe shall be made with deduction or withholding of taxes or other duties, if such deduction or withholding is required by law.

#### § 7 Notices

- (1) *Publication.* Notices to Pfandbriefholders relating to the Pfandbriefe will be published in a leading newspaper having general circulation and being a newspaper for statutory stock market notices of the Stock Exchange on which the Pfandbriefe are listed, and in any case in accordance with the rules of each stock exchange on which the Pfandbriefe are listed. The Issuer shall also ensure that notices are duly published in compliance with the requirements of the relevant authority of each stock exchange on which the Pfandbriefe are listed. [in the case of listing at the **Düsseldorf Stock Exchange insert: So long as the Notes are**



Schuldverschreibungen an der Börse Düsseldorf und soweit deren Regelwerk dies verlangt, werden Mitteilungen an die Anleihegläubiger in mindestens einem überregionalen Börsenpflichtblatt der Börse Düsseldorf (voraussichtlich in der *Börsen-Zeitung*) veröffentlicht werden.] **[Im Falle einer Notierung an der Luxemburger Börse einfügen:** Für die Dauer der Notierung der Pfandbriefe an der Luxemburger Börse und soweit deren Regelwerk dies verlangt werden Mitteilungen an die Pfandbriefgläubiger in einer in Luxemburg erscheinenden Tageszeitung mit allgemeiner Verbreitung veröffentlicht (voraussichtlich im *d'Wort*).] Jede derartige Bekanntmachung gilt mit dem Tage der ersten Veröffentlichung als wirksam erfolgt.

**[(2)]** *Mitteilungen an das Clearing System.*

Die Emittentin ist berechtigt, eine Zeitungsveröffentlichung nach § 7 Absatz (1) durch eine Mitteilung an das Clearing System zur Weiterleitung an die Pfandbriefgläubiger zu ersetzen, vorausgesetzt, dass in Fällen, in denen die Pfandbriefe an einer Börse notiert sind, die Regeln dieser Börse diese Form der Mitteilung zulassen. Jede derartige Mitteilung gilt am [●] Tag nach dem Tag der Mitteilung an das Clearing System als den Pfandbriefgläubigern mitgeteilt.

**§ 8 Begebung weiterer Pfandbriefe**

Die Emittentin behält sich das Recht vor, ohne Zustimmung der Pfandbriefgläubiger weitere Pfandbriefe mit gleicher Ausstattung (gegebenenfalls mit Ausnahme der ersten Zinszahlung) wie die vorliegenden Pfandbriefe zu begeben, so dass sie mit diesen eine Einheit bilden. Der Begriff "**Pfandbriefe**" umfasst im Fall einer solchen weiteren Begebung auch solche zusätzlich begebenen Pfandbriefe.

**§ 9 Anwendbares Recht, Gerichtsstand und gerichtliche Geltendmachung**

- (1) *Anwendbares Recht.* Form und Inhalt der Pfandbriefe sowie alle sich daraus ergebenden Rechte und Pflichten bestimmen sich ausschließlich nach dem Recht der Bundesrepublik Deutschland.
- (2) *Gerichtsstand.* Nicht-ausschließlicher Gerichtsstand für alle sich aus den in diesen Bedingungen geregelten

listed on the Düsseldorf Stock Exchange and the rules of the Düsseldorf Stock Exchange so require, notices to the Noteholders shall be published in at least one national newspaper recognised (*überregionales Börsenpflichtblatt*) by the Düsseldorf Stock Exchange (expected to be the *Börsen-Zeitung*).] **[in the case of listing at the Luxembourg Stock Exchange insert:** So long as the Pfandbriefe are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, notices to the Pfandbriefholders shall be published in a daily newspaper with general circulation in Luxembourg (which is expected to be the *d'Wort*).] Any notice so given will be deemed to have been validly given on the date of first such publication.

**[(2)]** *Notification to Clearing System.*

The Issuer may, in lieu of publication in the newspapers set forth in § 7 (1) above, deliver the relevant notice to the Clearing System, for communication by the Clearing System to the Pfandbriefholders, provided that, so long as any Pfandbriefe are listed on any stock exchange, the rules of such stock exchange permit such form of notice. Any such notice shall be deemed to have been given to the Pfandbriefholders on the [●] day after the day on which the said notice was given to the Clearing System.

**§ 8 Further Issues**

The Issuer reserves the right from time to time, without the consent of the Pfandbriefholders to issue additional notes with identical terms and conditions as the Pfandbriefe in all respects (or in all respects except for the first payment of interest, if any, on them) so as to be consolidated and form a single series with such Pfandbriefe. The term "**Pfandbriefe**" shall, in the event of such further issue, also comprise such further notes.

**§ 9 Applicable Law, Place of Jurisdiction and Enforcement**

- (1) *Applicable Law.* The form and content of the Pfandbriefe as well as all the rights and duties arising therefrom are governed exclusively by the laws of the Federal Republic of Germany.
- (2) *Submission to Jurisdiction.* Non-exclusive court of venue for all litigation with the Issuer arising from the legal relations established in

Rechtsverhältnissen ergebenden Rechtsstreitigkeiten mit der Emittentin ist [●]. Erfüllungsort ist [●]. Die Zuständigkeit des vorgenannten Gerichts ist ausschließlich, soweit es sich um Rechtsstreitigkeiten handelt, die von Kaufleuten, juristischen Personen des öffentlichen Rechts, öffentlich-rechtlichen Sondervermögen und Personen ohne allgemeinen Gerichtsstand in der Bundesrepublik Deutschland angestrengt werden.

- (3) *Kraftloserklärung.* Die Gerichte der Bundesrepublik Deutschland sind ausschließlich zuständig für die Kraftloserklärung abhanden gekommener oder vernichteter Pfandbriefe.

#### § 10 Sprache

Diese Bedingungen sind in [englischer] [deutscher] Sprache abgefasst. Eine Übersetzung in die [deutsche] [englische] Sprache ist beigelegt. Der [englische] [deutsche] Text ist bindend und maßgeblich. Die Übersetzung in die [deutsche] [englische] Sprache ist unverbindlich.

these Conditions is [●]. Place of performance is [●]. The jurisdiction of such Court shall be exclusive if Proceedings are brought by merchants (*Kaufleute*), legal persons under public law (*juristische Personen des öffentlichen Rechts*), special funds under public law (*öffentlich-rechtliche Sondervermögen*) and persons not subject to the general jurisdiction of the courts of the Federal Republic of Germany (*Personen ohne allgemeinen Gerichtsstand in der Bundesrepublik Deutschland*).

- (3) *Annulment.* The courts in the Federal Republic of Germany shall have exclusive jurisdiction over the annulment of lost or destroyed Pfandbriefe.

#### § 10 Language

These Conditions are written in the [English] [German] language and provided with a [German] [English] language translation. The [English] [German] text shall be prevailing and binding. The [German] [English] language translation is provided for convenience only.

**Schedule 4:  
Form of Final Terms**

**Muster der Endgültigen Bedingungen**

Das Formular der Endgültigen Bedingungen, die jeweils für eine Tranche ausgestellt werden, ist nachfolgend dargestellt. Hierbei werden (i) nicht anwendbare, durch eckige Klammern gekennzeichnete Bestimmungen gestrichen, (ii) die eckigen Klammern um anwendbare Bestimmungen gelöscht und (iii) für einzufügende Angaben vorgesehene Platzhalter durch entsprechende Angaben ausgefüllt.

The form of Final Terms that will be issued in respect of each Tranche, is set out below. For this purpose, (i) non-applicable provisions (set in square brackets) will be deleted, (ii) the square brackets around applicable provisions will be deleted, and (iii) placeholders designated for applicable provisions will be completed by the relevant provisions.

Datum: [●]

*Dated [●]*

**Endgültige Bedingungen  
The Final Terms**

**WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG**

[Angebot][Emission] von  
*[Offer][Issue] of*  
[Gesamtnennbetrag der Tranche]  
*[Aggregate Principal Amount of Tranche]*  
[Bezeichnung der [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Pfandbriefe]]  
*[Title of [Notes] [Mortgage Darlehen] [Public Sector Darlehen]]*

begeben als Serie [●] [Tranche [●]] unter dem  
*issued as Series [●] [Tranche [●]] under the*

**Euro 15.000.000.000  
Angebotsprogramm**

***Euro 15,000,000,000  
Debt Issuance Programme***

[Angebotsfrist: Vom [●] bis zum [●]. [Die Angebotsfrist kann verlängert oder vorzeitig beendet werden.]]  
*[Offer Period: From [●] to [●][The Offer Period may be extended or shortened.]]*

[Die [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Pfandbriefe] können direkt von jeder Bank oder Sparkasse in der Bundesrepublik Deutschland oder von jeder anderen zum Verkauf der [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Pfandbriefe] autorisierten Stelle bezogen werden.]

*[The [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] may be purchased directly from any bank or savings bank (Sparkasse) in Federal Republic of Germany, or any other market counterparty authorised to sell [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe]] [●]*

Soweit nicht hierin definiert oder anderweitig geregelt, haben die hierin verwendeten Begriffe die für sie in dem Basisprospekt vom [●] (der (ergänzt durch [den][die] [Nachtrag][Nachträge] vom [●])) einen Basisprospekt gemäß der Prospektrichtlinie (Richtlinie 2003/71/EG, die "**Prospektrichtlinie**") darstellt der "**Basisprospekt**") festgelegte Bedeutung. Dieses Dokument enthält gemäß Artikel 5.4 der Prospektrichtlinie die Endgültigen Bedingungen der [Schuldverschreibungen] [Hypothekenpfandbriefe] [Öffentlichen Pfandbriefe] und ist nur mit dem Basisprospekt gemeinsam zu lesen. Vollständige Informationen sind nur in der Gesamtheit dieses Dokuments (dieses "**Dokument**" bzw. die "**Endgültigen Bedingungen**") enthalten. [Der Basisprospekt [ist bei [Adresse] kostenlos erhältlich und] kann [dort[ [auf der Website: [●] eingesehen werden.]

*Unless defined, or stated otherwise, herein, capitalised terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [●] (which ([as supplemented by the supplemental Prospectus[es] dated [●])) constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"))(the "**Base Prospectus**"). This document constitutes the Final Terms of the [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] is only available on the basis of the combination of this document (this "**Document**" or these "**Final Terms**") and the Prospectus. [The Base Prospectus is available for viewing at [address] [and] [website] and copies may be obtained free of charge from [address].]*

[Die im Basisprospekt vom [●] festgelegten Emissionsbedingungen (die "**Bedingungen**") der [Schuldverschreibungen] [Hypothekenpfandbriefe] [Öffentlichen Pfandbriefe] werden gemäß den Bestimmungen dieses Dokuments angepasst, ergänzt, und verändert. Im Fall einer Abweichung von den Bedingungen gehen die Bestimmungen der Endgültigen Bedingungen vor. Die entsprechend angepassten, ergänzten und geänderten Bedingungen und die entsprechenden Bestimmungen dieser Endgültigen Bedingungen stellen zusammen die Bedingungen dar, die auf diese Emission von [Schuldverschreibungen] [Hypothekenpfandbriefen] [Öffentlichen Pfandbriefen] anwendbar sind (die "**Ergänzten Bedingungen**").] <sup>1</sup>

*[The terms of this Document amend, supplement and vary the Conditions of the [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] set out in the Base Prospectus dated [●] (the "**Conditions**"). If and to the extent the Conditions deviate from the terms of this Final Terms, the terms of the Final Terms shall prevail. The Terms and Conditions so amended, supplemented or varied together with the relevant provisions of this Final Terms will form the Conditions applicable to this Series of [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] (the "**Supplemented Conditions**").]* <sup>2</sup>

[Die Emissionsbedingungen der [Schuldverschreibungen] [Hypothekenpfandbriefe] [Öffentlichen Pfandbriefe], die im Basisprospekt vom [●] festgelegt wurden (die "**Bedingungen**") werden entsprechend der in diesem Dokument angegebenen Bestimmungen angepasst; alle auf diese Serie von [Schuldverschreibungen] [Hypothekenpfandbriefen] [Öffentlichen Pfandbriefen] nicht anwendbaren Bestimmungen werden gelöscht. Die konsolidierten Emissionsbedingungen ersetzen die Bedingungen in ihrer Gesamtheit (die "**Konsolidierten Bedingungen**"). Falls die Konsolidierten Bedingungen Unterschiede zu diesem Dokument aufweisen, gehen die Konsolidierten Bedingungen vor.] <sup>3</sup>

*[The Terms and Conditions of the [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] set out in the Base Prospectus dated [●] (the "**Conditions**") shall be amended by incorporating the terms of this document, and by deleting all provisions not applicable to this Series of [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe]. The Consolidated Conditions shall replace the Conditions in their entirety (the "**Consolidated***

<sup>1</sup> Nur anwendbar bei Ergänzten Bedingungen.

<sup>2</sup> Only applicable to Supplemented Conditions.

<sup>3</sup> Nur anwendbar bei Konsolidierten Bedingungen.

**Conditions**"). *If and to the extent the Consolidated Conditions deviate from the terms of the document, the Consolidated Conditions shall prevail.*<sup>4</sup>

**[Der folgende Abschnitt ist einzufügen, sofern die erste Tranche einer durch nachfolgende Tranchen aufgestockten Emission gemäß eines veralteten Basisprospekts begeben wurde:**

Dieses Dokument ist in Verbindung mit dem Basisprospekt zu lesen, mit Ausnahme der Bedingungen, die dem Basisprospekt vom [ursprüngliches Datum] (wie von Zeit zu Zeit geändert und ergänzt) entnommen wurden und die als Anhang beigefügt sind.]

***[The following additional language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date:***

*This Document must be read in conjunction with the Base Prospectus , save in respect of the Conditions which are extracted from the base prospectus dated [original date] (as modified and supplemented from time to time) and are attached hereto.]*

[Die [Zulassung][Einbeziehung] der [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Darlehen] [in den Handel] [zur Notierung] [an der / im / zum] [Freiverkehr] [der] [Börse Düsseldorf] [Luxemburger Wertpapierbörse] **[Wertpapierbörse und Marktsegment einfügen]** [wurde beantragt [wird beantragt werden].]

*[Application [has been][will be] made to [trade] [list] the [Notes] [Mortgage Darlehen] [Public Sector Darlehen] on the [regulated unofficial market (Freiverkehr)] [of the] [Düsseldorf Stock Exchange]][Luxembourg Stock Exchange] **[insert relevant stock exchange and market segment]**.*

[Die [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Darlehen] werden ausschließlich **[Investoren-Kategorie und gegebenenfalls Beschränkungen einfügen falls anwendbar]** angeboten.]

*[The [Notes] [Mortgage Darlehen] [Public Sector Darlehen] are offered to **[insert specified investor-category and restrictions, if applicable]**.]*

In bestimmten Rechtsordnungen kann die Verbreitung dieses Dokuments und das Angebot bzw. der Verkauf der [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Darlehen] rechtlichen Beschränkungen unterliegen. Jede Person, die in Besitz dieses Dokuments kommt, wird von der Emittentin [, den Dealern und vom Arrangeur] aufgefordert, sich über solche Beschränkungen zu informieren und die entsprechenden Bestimmungen zu beachten. Die [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Darlehen] wurden nicht und werden nicht nach dem United States Securities Act von 1933 in der jeweils gültigen Fassung ("Securities Act") oder den wertpapierrechtlichen Vorschriften (securities laws) eines jeglichen Staates (State) registriert noch wurde der Handel in den [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Darlehen] von der U.S. Commodity Futures Trading Commission gemäß der jeweils gültigen Fassung des U.S. Commodity Exchange Act genehmigt. Die [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Darlehen] dürfen zu keinem Zeitpunkt innerhalb der Vereinigten Staaten direkt oder indirekt angeboten, verkauft, verpfändet, abgetreten, übergeben, zurückgezahlt oder anderweitig übertragen, oder gegenüber U.S.-Personen (wie definiert in der Regulation S unter dem Securities Act ("Regulation S") oder dem U.S. Internal Revenue Code von 1986 in seiner jeweils gültigen Fassung) direkt oder indirekt angeboten, verkauft, verpfändet, zurückgezahlt oder anderweitig an diese übertragen werden. Die [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Darlehen] werden außerhalb der Vereinigten Staaten in Übereinstimmung mit Regulation S angeboten und verkauft und dürfen zu keiner Zeit rechtlich oder wirtschaftlich im Eigentum einer U.S. Person stehen. Die [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Darlehen] unterliegen den Beschränkungen bestimmter U.S.-Steuergesetze. Einige Verkaufsbeschränkungen bezüglich des Angebots und Verkaufs der

<sup>4</sup> Only applicable to Consolidated Conditions.

[Schuldverschreibungen] [Hypothekenpfandbriefe] [Öffentlichen Pfandbriefe] und der Verbreitung dieses Dokuments sind im Abschnitt "Verkaufsbeschränkungen" im Basisprospekt beschrieben.

*The distribution of this document and the offering or sale of the [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction. The [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any State and trading in the [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] has not been approved by the U.S. Commodity Futures Trading Commission under the U.S. Commodity Exchange Act, as amended. The [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] may not be, at any time, offered, sold, pledged, assigned, delivered, redeemed or otherwise transferred directly or indirectly within the United States or to, or for the account or benefit of any U.S. Person (as such term is defined in Regulation S under the Securities Act ("Regulation S") or the U.S. Internal Revenue Code of 1986, as amended). The [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] are being offered and sold outside the United States pursuant to Regulation S and may not be legally or beneficially owned at any time by any U.S. Person. The [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] are subject to certain U.S. tax law restrictions. For a description of certain restrictions on offers and sales of [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] and on distribution of this document, see "Selling Restrictions" in the Base Prospectus.*

**[Im Fall von Schuldverschreibungen, die sich auf eine Aktie / mehrere Aktien oder einen Index / mehrere / Indizes oder ein anderes Instrument oder eine andere Einheit beziehen, ist einzufügen:**

Die in diesem Dokument enthaltenen Informationen in Bezug auf [die Aktie] [den Aktienkorb] [den Index] [den Indexkorb] [anderes Instrument oder Einheit einfügen] [Unternehmen] auf die sich die Schuldverschreibungen beziehen [(die "Basiswerte")] [(die "Referenzunternehmen")], bestehen lediglich aus Auszügen oder Zusammenfassungen von öffentlich zugänglichen Informationen. Die Emittentin übernimmt die Verantwortung, dass die Informationen richtig zusammengestellt oder zusammengefasst und wiedergegeben wurden und, soweit es der Emittentin bekannt ist und sich aus den betreffenden Informationen ableiten lässt, wurden keine Tatsachen unterschlagen, die die wiedergegebenen Informationen unrichtig oder irreführend gestalten würden. Neben diesen Zusicherungen wird keine weitergehende oder sonstige Verantwortung für die von Dritten erhaltenen Informationen von der Emittentin [jedem Dealer (wie im [Basisprospekt] beschrieben) übernommen. Insbesondere übernimmt die Emittentin [und ein jeglicher Dealer] nicht die Verantwortung dafür, dass die hier enthaltenen Angaben über die Basiswerte oder die Referenzunternehmen in der Form in der die sie von Dritten erhalten hat, zutreffend oder vollständig sind oder dass kein Umstand eingetreten ist, der die Richtigkeit oder Vollständigkeit beeinträchtigen könnte.]

**[In the case of Notes linked to one or more Share / Shares or Index / Indices or any other type of instrument or entity insert:**

*The information included herein with respect to the [Share] [Share Basket] [Index] [Index Basket] [insert any other type of instrument or asset] to which the Notes are linked [(the "Reference Assets")] [(Entities) (the "Reference Entities")] consists only of extracts from, or summaries of, publicly available information. The Issuer accepts responsibility that such information has been accurately extracted or summarised and reproduced and as far the Issuer is aware and can ascertain from the relevant information, no facts have been omitted which would render the reproduced information inaccurate or misleading. No further or other responsibility in respect of such information received from a third person is accepted by the Issuer [or any of the Dealers (as defined in the Base Prospectus)]. In particular, the Issuer [and any of the Dealers] accepts no responsibility in respect of the accuracy or completeness of such information, in the form in which it has received it from a third person, set forth herein concerning the Reference Assets or the Reference Entities of the Notes of extracts from, or summaries of, publicly available information or that there has not occurred any event which would affect the accuracy or completeness of such information.]*

Niemand ist berechtigt, über die in diesem Dokument enthaltenen Angaben oder Zusicherungen hinausgehende Informationen bezüglich der Emission oder des Verkaufs der [Schuldverschreibungen]

[Hypothekendarfandbriefe] [Öffentlichen Darfandbriefe] zu erteilen, und es kann nicht aus derartigen Informationen geschlossen werden, dass sie von oder im Namen der Emittentin[, der Dealer oder des Arrangeurs] genehmigt wurden. Aus der Übergabe dieses Dokuments zu einem bestimmten Zeitpunkt kann zu keiner Zeit die Annahme abgeleitet werden, dass sich seit der Erstellung dieses Dokuments keine Änderungen hinsichtlich der hierin enthaltenen Angaben ergeben haben.

*No person has been authorised to give any information or to make any representation other than those contained in this Dokument in connection with the issue or sale of the [Notes] [Mortgage Darfandbriefe] [Public Sector Darfandbriefe] and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer[, the Dealers or the Arranger]. The delivery of this Document at any time does not imply that the information in it is correct as any time subsequent to this date.*

Dieses Dokument stellt kein Kauf- oder Verkaufsangebot für [Schuldverschreibungen] [Hypothekendarfandbriefe] [Öffentliche Darfandbriefe] seitens der Emittentin [oder] [oder der Dealer] dar.

*This Document does not constitute an offer of, or an invitation by or on behalf of the Issuer [or the Dealers] to subscribe for, or purchase, any [Notes] [Mortgage Darfandbriefe] [Public Sector Darfandbriefe].*

Jeder potentielle Erwerber von [Schuldverschreibungen] [Hypothekendarfandbriefen] [Öffentlichen Darfandbriefen] muss sich vergewissern, dass die Komplexität der [Schuldverschreibungen] [Hypothekendarfandbriefe] [Öffentlichen Darfandbriefe] und die damit verbundenen Risiken seinen Anlagezielen entsprechen und für seine Person bzw. die Größe, den Typ und die finanzielle Lage seines Unternehmens geeignet sind.

*Each prospective investor in [Notes] [Mortgage Darfandbriefe] [Public Sector Darfandbriefe] must ensure that the complexity and risks inherent in the [Notes] [Mortgage Darfandbriefe] [Public Sector Darfandbriefe] are suitable for its investment objectives and are appropriate for itself or the size, nature and condition of its business, as the case may be.*

Die in diesem Dokument genannten Risiken und wesentlichen Merkmale der [Schuldverschreibungen] [Hypothekendarfandbriefe] [Öffentlichen Darfandbriefe] erheben keinen Anspruch auf Vollständigkeit. Niemand sollte in [Schuldverschreibungen] [Hypothekendarfandbriefen] [Öffentlichen Darfandbriefen] handeln, ohne eine genaue Kenntnis der Funktionsweise der maßgeblichen Transaktion zu besitzen und sich des Risikos eines möglichen Verlusts bewusst zu sein. Jeder potentielle Käufer der [Schuldverschreibungen] [Hypothekendarfandbriefe] [Öffentlichen Darfandbriefe] sollte sorgfältig prüfen, ob unter den gegebenen Umständen und vor dem Hintergrund seiner persönlichen Verhältnisse und Vermögenssituation eine Anlage in die [Schuldverschreibungen] [Hypothekendarfandbriefe] [Öffentlichen Darfandbriefe] geeignet erscheint.

*This Document cannot disclose all of the risks and other significant aspects of the [Notes] [Mortgage Darfandbriefe] [Public Sector Darfandbriefe]. No person should deal in the [Notes] [Mortgage Darfandbriefe] [Public Sector Darfandbriefe] unless that person understands the nature of the relevant transaction and the extent of that person's exposure to potential loss. Each prospective purchaser of [Notes] [Mortgage Darfandbriefe] [Public Sector Darfandbriefe] should consider carefully whether the [Notes] [Mortgage Darfandbriefe] [Public Sector Darfandbriefe] are suitable for it in the light of its circumstances and financial position.*

Potentielle Erwerber von [Schuldverschreibungen] [Hypothekendarfandbriefen] [Öffentlichen Darfandbriefen] sollten mit ihren Rechts- und Steuerberatern, Wirtschaftsprüfern und sonstigen Beratern klären, ob eine Anlage in [Schuldverschreibungen] [Hypothekendarfandbriefen] [Öffentlichen Darfandbriefen] für sie geeignet ist.

*Prospective investors in [Notes] [Mortgage Darfandbriefe] [Public Sector Darfandbriefe] should consult their own legal, tax, accountancy and other professional advisers to assist them in determining the suitability of the [Notes] [Mortgage Darfandbriefe] [Public Sector Darfandbriefe] for them as an investment.*

[Der folgende Abschnitt ist nur im Falle von Jumbo Pfandbriefen und Schuldverschreibungen, Hypothekendarlehen und Öffentlichen Darlehen für Retailkunden und/oder mit konsolidierten Bedingungen anwendbar]:

*[The following to be inserted in the document only in the case of Jumbo Pfandbriefe and Retail Notes, Mortgage Darlehen and Public Sector Darlehen and or Notes, Mortgage Darlehen and Public Sector Darlehen with Consolidated Terms]:*

#### ZUSAMMENFASSUNG DER ANLEIHEBEDINGUNGEN

(Die folgenden Ausführungen sind lediglich eine indikative Zusammenfassung und sind nur im Zusammenhang mit dem gesamten Text der Anleihebedingungen unter der Überschrift "Anleihebedingungen" zu lesen)

Ausgabebetrag und Zahltag	[•]
Endfälligkeitstag	[•]
Status der [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Darlehen]	Nicht Nachrangig
Gesamtnominalbetrag (falls Betrag nicht feststeht, Beschreibung der Vorgehensweise und Zeit für Bekanntgabe angeben)	[•]
Stückelung und Festgelegter Nennbetrag <sup>5</sup>	[•]
Auf die [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Darlehen] zahlbare Beträge	[•]
Verzinsung	[•]
Rückzahlungsbetrag	[•]
Vorzeitige Rückzahlung	[•]
[ggf. weitere Angaben]	[•]
Form	[Vorläufige Globalurkunde, austauschbar gegen eine Dauerglobalurkunde][Dauerglobalurkunde]
Anwendbares Recht	Deutsches Recht

#### SUMMARY OF THE CONSOLIDATED TERMS

*(The following is merely an indicative summary and is qualified in its entirety by the full text of the Terms and Conditions under the heading "Terms and Conditions")*

Issue Date	[•]
Maturity Date	[•]
Status of the [Notes] [Mortgage Darlehen] [Public Sector Darlehen]	<b>Senior</b>
Aggregate Nominal Amount of the [Notes] [Mortgage Darlehen] [Public Sector]	[•]

<sup>5</sup> Schuldverschreibungen, Hypothekendarlehen, Öffentliche Darlehen (einschließlich in Sterling denominierter Schuldverschreibungen, Hypothekendarlehen, Öffentliche Darlehen) in Bezug auf welche die Emissionserlöse vom Emittenten in Großbritannien akzeptiert werden oder deren Begebung ansonsten einen Verstoß gegen Absatz 19 FSMA darstellt und die vor dem ersten Jahrestag des Ausgabebetages dieser Schuldverschreibungen, Hypothekendarlehen, Öffentliche Darlehen zurückzahlen sind, müssen sich auf einen Mindestrückzahlungswert von £100.000 belaufen (oder den entsprechenden Betrag in anderen Währungen)



**Pfandbriefe]**

*(if amount is not fixed, insert description of arrangements and time for announcing to the public the amount of offer)*

*Nominal Amount per Note and Specified Denomination<sup>6</sup>* **[•]**

*Amounts payable in respect of the [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe]* **[•]**

*Interest (Extracts from § 3 of the Consolidated Conditions)* **[•]**

*Final Redemption Amount* **[•]**

*Early Redemption* **[•]**

*[insert further provisions if applicable]* **[•]**

*Form* **[Temporary Global Note exchangeable for a Permanent Global Note][Permanent Global Note]**

*Governing law* **German law**

---

<sup>6</sup> Notes, Mortgage Pfandbriefe, Public Sector Pfandbriefe (including Notes, Mortgage Pfandbriefe, Public Sector Pfandbriefe denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA and which must be redeemed before the first anniversary of the date of their issue must have a minimum redemption value of £100,000 (or its equivalent in other currencies.)

**AUF DIE [SCHULDVERSCHREIBUNGEN] [HYPOTHEKENPFANDBRIEFE] [ÖFFENTLICHE PFANDBRIEFE] ANWENDBARE ALLGEMEINE BESTIMMUNGEN**

**GENERAL PROVISIONS APPLICABLE TO THE [NOTES] [MORTGAGE PFANDBRIEFE] [PUBLIC SECTOR PFANDBRIEFE]**

Art der Bedingungen	Konsolidierte Bedingungen
<i>Type of Conditions</i>	<i>Consolidated Conditions</i>
Emittentin:	WL- BANK WESTFÄLISCHE LANDSCHAFT Bo denkreditbank AG
<i>Issuer:</i>	WL- BANK WESTFÄLISCHE LANDSCHAFT Bo denkreditbank AG
Seriennummer:	[•]
<i>Series Number:</i>	[•]
Tranchennummer:	[•]
<i>Tranche Number:</i>	[•]
(Wenn fungibel mit einer vorhandenen Serie, Einzelheiten dieser Serie, einschließlich Datum, an dem die [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Pfandbriefe] fungibel werden.)	[•]
<i>(If fungible with an existing Series, details of that Series, including the date on which the [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] become fungible.)</i>	[•]
Ausgabepreis:	Der Ausgabepreis pro Schuldverschreibung beträgt [•] Prozent des Nennbetrags pro Schuldverschreibung [(es ist möglich, dass Investoren einen zusätzlichen Ausgabeaufschlag in Höhe von [•] % des Nennbetrags pro Schuldverschreibung an die jeweilige Vertriebsstelle zu zahlen haben)][zuzüglich Zinsen ab [Datum einfügen] (ggf. nur im Falle fungibler Emissionen)]  [Der oben genannte Ausgabepreis einer Schuldverschreibung kann über oder unter deren Marktwert zum Zeitpunkt dieses Dokuments liegen. Der Ausgabepreis kann Kommissionen bzw. Gebühren enthalten, die an den Dealer und/oder Vertriebsstellen gezahlt werden. ]

<i>Issue Price:</i>	<i>The Issue Price per Note is [•] per cent. of the Nominal Amount per Note [(investors may be required to pay an additional initial sales charge payable to the relevant distributor of [•] per cent. of the Nominal Amount per Note).][plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)]</i>
	<i>[The above Issue Price may be more or less than the market value of each Note as at the date of this Supplement. The Issue Price may include embedded commissions payable to the Dealer and/or a distributor or distributors. ]</i>
<i>[Nettoerlös:</i>	<i>[•] (Nur bei börsennotierten Emissionen erforderlich)]</i>
<i>[Net proceeds:</i>	<i>[•] (Required only for listed issues)]</i>
<i>[Umfang der Emission:</i>	<i>[•] [Schuldverschreibungen] [Hypothekenpfandbriefe] [Öffentliche Pfandbriefe]</i>
<i>Issue size:</i>	<i>[•] [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe]]</i>
<i>[Mindesthandelsgröße</i>	<i>[•]</i>
<i>Minimum trading size</i>	<i>[•]</i>
<i>[Angaben zur Reduzierung der Zeichnung/Art und Weise der Rückerstattung des zuviel gezahlten Betrages</i>	<i>[•]</i>
<i>[Information of Possible Reduction of Subscription /Manner of refunding excess amount]</i>	<i>[•]</i>
<i>Anwendbare TEFRA-Freistellung:</i>	<i>[D Rules / C Rules]</i>
<i>Applicable TEFRA exemption:</i>	<i>[D Rules / C Rules]</i>
<i>Vertriebsmethode:</i>	<i>[Syndiziert][Nicht-syndiziert]</i>
<i>Method of distribution:</i>	<i>[Syndicated][Non-syndicated]</i>
<i>Falls syndiziert, Namen, Adressen und die betreffenden Übernahmequoten der Manager und des/der Lead Manager:</i>	<i>[Nicht Anwendbar / Namen einfügen]</i>
<i>If syndicated, names, addresses and respective allotments of Managers and Lead Manager(s):</i>	<i>[Not Applicable / give names]</i>
<i>[Datum des Übernamevertrages</i>	<i>[•]</i>
<i>Date of Subagreement]</i>	<i>[•]</i>
<i>[Kursstabilisierende Stelle (falls anwendbar):</i>	<i>[Nicht Anwendbar / Namen einfügen]</i>
<i>Stabilising Agent (if any):</i>	<i>[Not Applicable / give name] ]</i>
<i>[Kommission des Dealers:</i>	<i>[•]</i>
<i>Dealer's Commission:</i>	<i>[•]</i>

[Falls nicht-syndiziert: Name des Dealers	[Nicht Anwendbar / Name einfügen]
<i>If non-syndicated, name of Dealer:</i>	<i>[Not Applicable / give name]</i>
[Zusätzliche Informationen in Bezug auf Übernahme und Platzierung]	[•]
<i>[Additional Information with respect to distribution and underwriting]</i>	[•]
U.S.-Verkaufsbeschränkungen	Zu keinem Zeitpunkt Angebot, Verkauf, Verpfändung, Abtretung, Übergabe, Übertragung oder Rückzahlung der [Schuldverschreibungen] [Hypothekenpfandbriefe] [Öffentlichen Pfandbriefe] innerhalb der Vereinigten Staaten oder gegenüber U.S.-Personen; zu keinem Zeitpunkt rechtliches oder wirtschaftliches Eigentum einer U.S.-Person an den [Schuldverschreibungen] [Hypothekenpfandbriefen] [Öffentlichen Pfandbriefen]. "U.S.-Person" hat die diesem Begriff in Regulation S unter dem U.S. Securities Act von 1933 in der jeweils gültigen Fassung (der "Securities Act") bzw. im U.S. Internal Revenue Code von 1986 in der jeweils gültigen Fassung zugewiesene Bedeutung.
<i>U.S. selling restrictions:</i>	<i>No offers, sales, pledges, assignments, deliveries, transfers or redemptions of the [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] at any time within the United States or to or for the account or benefit of any U.S. Person; no legal or beneficial ownership of the [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] at any time by a U.S. person. "U.S. Person" has the meaning ascribed to it in the Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act") or the U.S. Internal Revenue Code of 1986, as amended.</i>
Zusätzliche Verkaufsbeschränkungen	[Nicht Anwendbar / Details einfügen]
<i>(Angaben, wenn diese von den im Basisprospekt unter "Verkaufsbeschränkungen" aufgeführten abweichen)</i>	<i>[Not Applicable / give details]</i>
<i>Additional selling restrictions:</i>	
<i>(Specify if different from those set out in the Base Prospectus under "Selling Restrictions")</i>	
ISIN Code:	[•]
Common Code:	[•]
WKN:	Not Applicable / [•]

Clearing System(e) und maßgebliche  
Identifizierungsnummer(n):

**[Clearstream, Frankfurt (auch  
Verwahrstelle); Euroclear, Brüssel;  
Clearstream, Luxemburg] [Euroclear,  
Brüssel und Clearstream, Luxembourg /  
Clearstream, Frankfurt]**

*Clearing system(s) and the relevant  
identification number(s):*

***[Clearstream, Frankfurt (also depository);  
Euroclear, Brussels; Clearstream,  
Luxembourg] [Euroclear and Clearstream,  
Luxembourg / Clearstream, Frankfurt]***

**[Lieferung**

**Lieferung [gegen / frei von] Zahlung]**

***[Delivery:***

***Delivery [against / free of] payment]***

**[Rating der [Schuldverschreibungen]  
[Hypothekendarlehen] [Öffentlichen  
Darlehen]**

**[Nicht Anwendbar / Details einfügen]**

***[Rating of the [Notes] [Mortgage Darlehen]  
[Public Sector Darlehen]***

***[Not Applicable / give details]***

**[Berater /Funktion**

**[Nicht Anwendbar / Details einfügen]**

***[Advisors/Function***

***[Not Applicable / give details]***

**[Informationen nach Emission**

**[Nicht Anwendbar / Details einfügen]**

***[Post Issuance Information***

***[Not Applicable / give details]***

## **ALLGEMEINES**

### **GENERAL**

#### **[ANTRAG AUF BÖRSEZULASSUNG**

Dieses Dokument enthält die Angaben, die zur Notierung der hier beschriebenen [Schuldverschreibungen] [Hypothekenpfandbriefe] [Öffentlichen Pfandbriefe] gemäß notwendig sind.]

#### **[LISTING APPLICATION**

*This Document comprises the details required to list the issue of [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] described herein]*

## **VERANTWORTUNG**

[Die WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG übernimmt gemäß § 5 Abs. (4) des Wertpapierprospektgesetzes in Verbindung mit § 44 Börsengesetz die Verantwortung für den Inhalt dieses Dokuments.]

### **RESPONSIBILITY**

*WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG accepts responsibility for this accordingly under § 5 Sec. (4) German Securities Prospectus Act (Wertpapierprospektgesetz) in connection with § 44 German Stock Exchange Act (Börsengesetz).*

#### **[INTERESSENKONFLIKTE VON NATÜRLICHEN ODER JURISTISCHEN PERSONEN, DIE BEI DER EMISSION/DEM ANGEBOT BETEILIGT SIND]**

[Außer wie im Abschnitt "wichtige Informationen" dargelegt hat , soweit es der Emittentin bekannt ist, keine Person, die bei dem Angebot der [Schuldverschreibungen] [Hypothekenpfandbriefe] [Öffentlichen Pfandbriefe] beteiligt ist, Interessenkonflikte, die Einfluss auf die [Schuldverschreibungen] [Hypothekenpfandbriefe] [Öffentlichen Pfandbriefe] haben.][•]

#### **[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]**

[Save as discussed in "Key Information", so far as the Issuer is aware, no person involved in the offer of the [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] has an interest material to the offer.][•]

#### **[INFORMATIONEN BEZÜGLICH DER [AKTIEN] [INDIZES] [BASISWERTE] [REFERENZUNTERNEHMEN]**

[Fallbezogen / Insbesondere Typ des Basiswerts sowie Informationen wo Angaben zum Basiswert eingeholt werden können; im Fall von Wertpapieren: Name des Wertpapieremittenten sowie ISIN (bzw. eines ähnlichen Wertpapieridentifikationscodes); im Fall eines Index: Bezeichnung des Index und Indexbeschreibung falls der Index von der Emittentin zusammengestellt wurde, falls nicht Angabe des Ortes wo Angaben zu diesem Index zu finden sind; im Fall eines Zinssatzes: Beschreibung; im Fall von anderen Basiswerten eine gleichwertige Beschreibung, Im Falle eines Basiswertkorbes: Angaben der Gewichtungen]]

#### **[INFORMATION REGARDING [SHARES] [INDICES ] [REFERENCE ASSETS] [REFERENCE ENTITIES]**

*[As required / in particular: type of underlying and details where information can be obtained; an indication where information about the past and the further performance and the volatility of the underlying can be obtained; in the case of securities: the name of the issuer and the ISIN (or other securities identification code); in the case of an index: the name of the index and a description if it is composed by the Issuer, if it is not composed by the Issuer, where information about the index can be obtained; in the case of an interest rate: description of the interest rate; in the case of other underlyings: equivalent information; in the case of a basket the relevant weightings of the basket components]]*

**[ZUSÄTZLICHE SPEZIFISCHE RISIKOFAKTOREN]**

[gegebenenfalls in Bezug auf spezielle Risiken des jeweiligen Basiswertes und der jeweiligen Auszahlungsformel]]

**[ADDITIONAL SPECIFIC RISK FACTORS]**

*[With respect to specific risks arising from the relevant underlying and the details of the relevant payout-profile of the Non-Equity Securities as required.]*

**[ZUSÄTZLICHE SPEZIFISCHE DARSTELLUNG DER BESTEUERUNG]**

[Fallbezogen]]

**[ADDITIONAL SPECIFIC TAX DISCLOSURE]**

*[As required]]*

**[KONSOLIDIERTE ANLEIHEBEDINGUNGEN / CONSOLIDATED TERMS]**

[einfügen] / *[insert]*

Signed on behalf of [WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG]:

*Unterschrift für [WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG]:*

By / *Durch:* \_\_\_\_\_  
Duly authorised / *Bevollmächtigter*

**[DER FOLGENDE ABSCHNITT IST NUR IM FALLE VON SCHULDVERSCHREIBUNGEN, HYPOTHEKENPFANDBRIEFEN UND [ÖFFENTLICHEN PFANDBRIEFEN FÜR INSTITUTIONELLE INVESTOREN UND MIT ERGÄNZTEN BEDINGUNGEN ANWENDBAR]**

**[THE FOLLOWING IS GENERALLY APPLICABLE ONLY IN THE CASE OF NOTES, MORTGAGE PFANDBRIEFE AND PUBLIC SECTOR PFANDBRIEFE FOR INSTITUTIONAL INVESTORS AND FOR NOTES, [MORTGAGE PFANDBRIEFE AND PUBLIC SECTOR PFANDBRIEFE WITH SUPPLEMENTED TERMS]:**

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]

*[Anwendbare Bestimmung einfügen oder als "Nicht anwendbar" (N/A) kennzeichnen. Achtung: Reihenfolge der Nummerierung bleibt unverändert, auch wenn einzelne Abschnitte oder Unterabschnitte als "Nicht anwendbar" gekennzeichnet sind. Kursivschrift kennzeichnet Erläuterungen für die Bearbeitung der Endgültigen Bedingungen.]*



## GENERAL INFORMATION

### ALLGEMEINE INFORMATIONEN

1.	Art der Bedingungen / Type of Conditions /	Ergänzte Bedingungen Supplemented Conditions
2.	Emittentin Issuer:	[•] [•]
3.	[(i)] Nummer der Serie Series Number:	[•] [•]
	[(ii)] Nummer der Tranche: <i>(falls fungibel mit einer bestehenden Serie, Beschreibung dieser Serie, einschließlich des Tages, an dem die [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Darlehen] fungibel werden).</i>  Tranche Number: <i>(If fungible with an existing Series, details of that Series, including the date on which the [Notes] [Mortgage Loans] [Public Sector Loans] become fungible).</i>	[•] [•]
4.	Festgelegte Währung oder Währungen: Specified Currency or Currencies:	[•] [•]
5.	Gesamtnennbetrag: <i>(falls Betrag nicht feststeht, Beschreibung der Vorgehensweise und Zeit für Bekanntgabe angeben)</i>  Aggregate Principal Amount: <i>(if amount is not fixed, insert description of arrangements and time for announcing to the public the amount of offer)</i>	
	[(i)] Serie: Series:	[•] [•]
	[(ii)] Tranche: Tranche:	[•] [•]
6.	[(i)] Emissionspreis:  Issue Price:	[•] % des Nennbetrages [zuzüglich aufgelaufener Zinsen ab [Datum einfügen] <i>(nur bei fungiblen Tranchen, falls anwendbar)</i>  [•] per cent. of the Aggregate Principal Amount [plus accrued interest from [insert date] <i>(in the case of fungible issues only, if applicable)</i>
	[(ii)] Nettoerlös:	[•] <i>(nur anwendbar im Fall von börsennotierten Emissionen)</i>

	Net proceeds:	<b>[•]</b> <i>(Required only for listed issues)</i>
7.	Festgelegter Nennbetrag:	<b>[•]</b> <sup>7</sup>
	Specified Denomination:	<b>[•]</b> <sup>8</sup>
8.	(i) Begebungstag:	<b>[•]</b>
	Issue Date:	<b>[•]</b>
	(ii) Verzinsungsbeginn:	<b>[•]</b> [nicht anwendbar]
	Interest Commencement Date:	<b>[•]</b> [Not Applicable]
9.	Endfälligkeitstag:	<i>[genaues Datum oder (für variabel verzinsliche [Schuldverschreibungen] [Hypothekendarlehen] [Öffentliche Darlehen]) letzter Zinszahlungstag im betreffenden Monat und Jahr]</i>
	Maturity Date:	<i>[specify date or (for Floating Rate [Notes] [Mortgage Darlehen] [Public Sector Darlehen]) Interest Payment Date falling in the relevant month and year]</i>
10.	Zinsmodalität:	<b>[•]</b> % Festzinssatz <b>[•]</b> [festzulegender Referenzzinssatz] +/- <b>[•]</b> % Margin Floating Rate [Aufzinsung (Null-Kupon-Schuldverschreibung)] [Strukturierter Zinssatz] [Swap-bezogene Verzinsung (ISDA)] [Aktienbezogene Verzinsung] [Indexbezogene Verzinsung]  [andere zu bestimmende Zinsmodalität] <i>(weitere Einzelheiten sind unten aufgeführt)</i>

<sup>7</sup> Schuldverschreibungen, Hypothekendarlehen, Öffentliche Darlehen (einschließlich auf Pfund Sterling lautende Schuldverschreibungen, Hypothekendarlehen, Öffentliche Darlehen), bei denen der Emissionserlös von der Emittentin im Vereinigten Königreich entgegengenommen wird oder sofern durch deren Emission ein anderer Verstoß gegen section 19 der FSMA vorliegt und die eine Laufzeit von weniger als einem Jahr haben, müssen eine Mindestrückzahlungswert je Stückelung von £100,000 (oder dem Äquivalent in einer anderen Währung) haben.

<sup>8</sup> Notes, Mortgage Darlehen, Public sector Darlehen (including Notes, Mortgage Darlehen, Public sector Darlehen denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA and which have a maturity of less than one year must have a minimum denomination redemption value of £100,000 (or its equivalent in other currencies).

Interest Basis:	<p>[[•] per cent. Fixed Rate]</p> <p>[[specify reference rate] +/- [•] per cent. Floating Rate]</p> <p>[Zero Coupon]</p> <p>[Structured Rate]</p> <p>[Swap Related Rate (ISDA)]</p> <p>[Equity Linked Interest]</p> <p>[Index Linked Interest]</p> <p>[Other (specify)]</p> <p><i>(further particulars are specified below)</i></p>
11. Rückzahlungs- / Zahlungsmodalität:	<p>[Rückzahlung zum Nennbetrag]</p> <p>[Rückzahlung in anderer Währung]</p> <p>[Rückzahlung einzelner Schuldverschreibungen]</p> <p>[Hypothekendarlehen] [Öffentlicher Darlehen]</p> <p>[Rückzahlung in Teilbeträgen]</p> <p>[Strukturierter Satz bezogene Rückzahlung]<sup>9</sup></p> <p>[Swap-Rate bezogene Rückzahlung]<sup>11</sup></p> <p>[Aktienbezogene Rückzahlung]<sup>11</sup></p> <p>[Indexbezogene Rückzahlung]<sup>11</sup></p> <p>[andere zu bestimmende Rückzahlungsart]</p> <p><i>(weitere Einzelheiten sind unten aufgeführt)</i></p>
Redemption / Payment Basis:	<p>[Redemption at par]</p> <p>[Dual Currency]</p> <p>[Partly Paid]</p> <p>[Instalment]</p> <p>[Structured Interest Linked Redemption]<sup>10</sup></p> <p>[Swap Rate Linked Redemption]<sup>12</sup></p> <p>[Equity Linked Redemption]<sup>12</sup></p> <p>[Index Linked Redemption]<sup>12</sup></p> <p>[Other (specify)]</p> <p><i>(further particulars specified below)</i></p>
Change of Interest or Redemption / Payment Basis:	<p>[Specify details of any provision for convertibility of [Notes] [Mortgage Darlehen] [Public Sector Darlehen] into another interest or redemption / payment basis]</p>
12. Wechsel der Zins- oder Tilgungs- / Rückzahlungsmodalität:	<p>[Einzelheiten jeglicher Vereinbarung einer Umstellung der [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Darlehen] auf eine andere Zins- oder Tilgungs- / Rückzahlungsart]</p>

<sup>9</sup> nur im Fall von derivativen Schuldverschreibungen.

<sup>10</sup> Only in the case of derivative Notes.

13.	Vorzeitige Rückzahlung nach Wahl des Anleihegläubigers oder der Emittentin:  Early Redemption at the Option of the Noteholder or the Issuer:	[Vorzeitige Rückzahlung nach Wahl des Anleihegläubigers] [Vorzeitige Rückzahlung nach Wahl der Emittentin] [(weitere Einzelheiten sind unten aufgeführt)]  [Early Redemption at the Option of the Noteholder] [Early Redemption of the Option of the Issuer] [(further particulars specified below)]
14.	Status der [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Darlehen] (§ 2):  Status of the [Notes] [Mortgage Darlehen] [Public Sector Darlehen] (§ 2):	[nicht nachrangig] [nachrangig ]  [Senior] [Subordinated]
15.	Börsennotierung:  Listing:	[Luxemburger Börse / Börse Düsseldorf / andere (zu bestimmen) / nicht-börsennotiert]  [Luxembourg Stock Exchange / Düsseldorf Stock Exchange / other ( <i>specify</i> ) / None]
16.	Art der Platzierung:  Method of distribution:	[syndiziert / nicht syndiziert]  [Syndicated / Non-syndicated]

#### FORM UND NENNBETRAG (§ 1)

#### FORM AND DENOMINATION (§ 1)

17.	Festgelegter Nennbetrag:  Specified Denomination:	[Betrag][Währung] <sup>11</sup> [Amount][Currency] <sup>12</sup>
18.	Form  Form	[Dauerglobalurkunde][Vorläufige Globalurkunde umtauschbar gegen Dauer-Globalurkunde]  [Permanent Global Note][Temporary Global Note exchangeable into Permanent Global Note]
19.	Clearing System  Clearing System	[Clearstream/Euroclear][Clearstream, Frankfurt][andere Angaben einfügen]  [Clearstream/Euroclear][Clearstream, Frankfurt][insert other]
20.	Unterschrift Fiscal Agent	[Ja][Nein]

<sup>11</sup> [Schuldverschreibungen] [Hypothekendarlehen] [Öffentliche Darlehen] (einschließlich auf Pfund Sterling lautende [Schuldverschreibungen] [Hypothekendarlehen] [Öffentliche Darlehen]), bei denen der Emissionserlös von der Emittentin im Vereinigten Königreich entgegengenommen wird oder sofern durch deren Emission ein anderer Verstoß gegen section 19 der FSMA vorliegt und die eine Laufzeit von weniger als einem Jahr haben, müssen eine Mindestrückzahlungswert je Stückelung von £100,000 (oder dem Äquivalent in einer anderen Währung) haben.

<sup>12</sup> [Notes] [Mortgage Darlehen] [public sector Darlehen] (including [Notes] [Mortgage Darlehen] [public sector Darlehen] denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA and which have a maturity of less than one year must have a minimum denomination redemption value of £100,000 (or its equivalent in other currencies).

Signature Fiscal Agent

[Yes][No]

**STATUS (§ 2)****STATUS (§ 2)**

21. Status	[Nicht Nachrangig][Nachrangig]
Status	[Senior][Subordinated]

**EINZELHEITEN DER VERZINSUNG (§ 3)****PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE (§ 3)**

*Insbesondere im Falle von Index Linked Interest [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] oder sonstigen strukturierten [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Pfandbriefen] ist folgende Variante zu erwägen:*

§ 3 der Bedingungen ist in seiner Gesamtheit durch [die folgenden Regelungen][Annex [•]] ersetzt.

*Especially in case of Index Linked Interest [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] or other structured interest [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe], consider the following:*

§ 3 der Bedingungen ist in seiner Gesamtheit durch [die folgenden Regelungen][Annex [•]] ersetzt.

*Otherwise, please provide the following information:*

*Andernfalls sind folgende Angaben zu machen: :*

22. Festzinsmodalitäten:	[anwendbar / nicht anwendbar] <i>(falls nicht anwendbar, entfallen die Unterabschnitte dieses Absatzes)</i>
Fixed Rate Note Provisions	[Applicable / Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>

*Im Falle eines Festzinssatzes (anstelle von Festzinsbeträgen) folgende Angaben machen:*

*In the case of a Fixed Interest Rate (instead of Fixed Coupon Amounts) give the following information:*

(i) Verzinsungsbeginn:	[•]
Interest Commencement Date:	[•]
(ii) Ende der Festzinsperiode:	[•]
End of fixed interest period:	[•]
(iii) Kurze/Lange erste/letzte Festzinsperiode:	[Kurze/Lange] [erste/letzte] Festzinsperiode [Bestimmungen einfügen]
Short/Long First/Last Fixed Interest Period:	[Short/Long] [first/last] Fixed Interest Period [Insert Instructions]
(iv) Zinssatz (Zinssätze):	[•] % per annum [fällig [jährlich / halbjährlich / vierteljährlich / monatlich] nachträglich]
Rate[(s)] of Interest:	[•] per cent. per annum [payable [annually / semi-annually / quarterly / monthly] in arrear]

- (v) Festgelegte(r) Zinszahlungstag(e):  
(Dann findet (vi) unten keine Anwendung)
- Specified Interest Payment Date(s):  
(Then (vi) below does not apply)
- (vi) Zinsperioden:  
(Then (v) above does not apply)
- Interest Periods:  
(Dann findet (v) oben keine Anwendung)
- Zinslaufperioden:  
(Dann findet (v) oben keine Anwendung)
- Interest Accrual Periods:  
(Then (v) above does not apply)
- (viii) Feststellungstermin(e):
- Determination Date(s):
- [•]** (einfügen: festgelegte Tage, oder Tage, die als eine bestimmte Anzahl Geschäftstage nach jeweils einem bestimmten Datum liegen; in letzterem Fall auch solche Daten benennen; bestimmen, ob die betreffenden Tage jährlich oder in einem anderen, dann auch zu bestimmenden, Abstand erfolgen; auch jeweilige(s) Geschäftszentrum(-zentren) für die Definition von "Geschäftstag" angeben)
- [•]** (specify: fixed dates, or dates that are determined as a certain number of Business Days after certain specified dates (in such case, also specify such dates); specify if such dates occur in each year or other period to be specified; also specify any applicable Business Centre(s) for the definition of "Business Day")
- [•]** (specify Fixed Interest Payment Dates by reference to period after Interest Commencement Date and/or last preceding Fixed Interest Payment Date; specify first and last such date)
- [•]** (Feste Zinszahlungstage durch Bezugnahme auf jeweiligen Zeitraum nach dem Verzinsungsbeginn sowie den jeweils vorhergehenden Festen Zinszahlungstag spezifizieren; ebenso den ersten und letzten solchen Tag angeben)
- [•]** (Feste Zinslaufperiodentage durch Bezugnahme auf jeweiligen Zeitraum nach dem Verzinsungsbeginn sowie den jeweils vorhergehenden Festen Zinszahlungstag spezifizieren; ebenso den ersten und letzten solchen Tag angeben)
- [•]** (specify Interest Accrual Period Dates by reference to period after Interest Commencement Date and/or last preceding Interest Accrual Period Dates; specify first and last such date)
- [•]** in jedem Jahr. [Reguläre Zinszahlungstage mit Ausnahme des Begebungstags und des Fälligkeitstags im Falle von kurzen oder langen ersten oder letzten Zinsperioden einfügen]<sup>13</sup>
- [•]** in each year. [Insert regular interest payment dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last coupon]<sup>14</sup>

<sup>13</sup> Nur zu vervollständigen für Emissionen von festverzinslichen [Schuldverschreibungen] [Hypothekenpfandbriefe] [Öffentliche Pfandbriefe], deren Zinstagequotient Actual / Actual-ICMA ist.

<sup>14</sup> Only to be completed for an issue of fixed rate [Notes] [Mortgage Pfandbriefe] [public sector Pfandbriefe] where Day Count Fraction is Actual / Actual-ICMA.

*Im Falle von Festzinsbeträgen (anstelle eines Festzinssatzes) folgende Angaben machen:*

*In the case of Fixed Coupon Amounts (instead of a Fixed Interest Rate) give the following information:*

- |       |   |  |
|-------|---|--|
| (i)   | Festzinsbetrag (-beträge):<br>Fixed Coupon Amount[(s)]:   | [•] je Festgelegter Nennbetrag<br>[•] per Specified Denomination   |
| (ii)  | Verzinsungsbeginn:<br>Interest Commencement Date:   | [•]<br>[•]   |
| (iii) | Ende der Festzinsperiode:<br>End of fixed interest period:  | [•]<br>[•]   |
| (iv)  | Kurze/Lange erste/letzte Festzinsperiode:<br><br>Short/Long First/Last Fixed Interest Period:   | [Kurze/Lange] [erste/letzte] Zinsperiode [hier Angabe aller anfänglichen oder abschließenden Bruchteilzinsbeträge, die nicht mit dem(den)Festsatzbeträgen und den Zinszahlungstagen übereinstimmen]<br><br>[Short/Long] [first/last] Interest Period [Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)] and the Interest Payment Date(s) to which they relate]  |
| (v)   | Festgelegte(r) Zinszahlungstag(e):<br>(Dann findet (vi) unten keine Anwendung)<br><br>Specified Interest Payment Date(s):<br>(Then (vi) below does not apply) | [•] (einfügen: festgelegte Tage, oder Tage, die als eine bestimmte Anzahl Geschäftstage nach jeweils einem bestimmten Datum liegen; in letzterem Fall auch solche Daten benennen; bestimmen, ob die betreffenden Tage jährlich oder in einem anderen, dann auch zu bestimmenden, Abstand erfolgen)<br><br>[•] (specify: fixed dates, or dates that are determined as a certain number of Business Days after certain specified dates (in such case, also specify such dates); specify if such dates occur in each year or other period to be specified)  |
| (vi)  | Interest Periods:<br>(Dann findet (v) oben keine Anwendung)<br><br>Zinsperioden:<br>(Then (v) above does not apply)<br><br>Zinslaufperioden:                  | [•] (Feste Zinszahlungstage durch Bezugnahme auf jeweiligen Zeitraum nach dem Verzinsungsbeginn sowie den jeweils vorhergehenden Festen Zinszahlungstag spezifizieren; ebenso den ersten und letzten solchen Tag angeben)<br><br>[•] (specify Fixed Interest Payment Dates by reference to period after Interest Commencement Date and/or last preceding Fixed Interest Payment Date; specify first and last such date)<br><br>[•] (Feste Zinslaufperiodentage durch Bezugnahme auf jeweiligen Zeitraum nach dem Verzinsungsbeginn sowie den jeweils Zinslaufperiodentag spezifizieren; ebenso den ersten und letzten solchen Tag angeben) |



Interest Accrual Periods:	<b>[•]</b> (specify Interest Accrual Period Dates by reference to period after Interest Commencement Date and/or last preceding Interest Accrual Period Date; specify first and last such date)
<i>Generell für Festzins-[Schuldverschreibungen] [Hypothekendarlehen] [Öffentliche Darlehen]</i>	
<i>General for Fixed Interest [Notes] [Mortgage Darlehen] [Public Sector Darlehen]</i>	
(i) Feststellungstermin(e):	<b>[•]</b> in jedem Jahr. <i>[Reguläre Zinszahlungstage mit Ausnahme des Begebungstags und des Fälligkeitstags im Falle von kurzen oder langen ersten oder letzten Zinsperioden einfügen]</i> <sup>15</sup>
Determination Date(s):	<b>[•]</b> in each year. <i>[Insert regular interest payment dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last coupon]</i> <sup>16</sup>
(ii) Sonstige Einzelheiten zur Zinsberechnungsmethode bei festverzinslichen <b>[Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Darlehen]</b> :	<b>[nicht anwendbar / Angabe von Einzelheiten]</b>
Other terms relating to the method of calculating interest for Fixed Rate <b>[Notes] [Mortgage Darlehen] [Public Sector Darlehen]</b> :	<b>[Not Applicable / give details]</b>
23. Floating Rate Provisions	<b>[Applicable / Not Applicable]</b> <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
Modalitäten bei variabler Verzinsung:	<b>[anwendbar / nicht anwendbar]</b> <i>(falls nicht anwendbar, entfallen die Unterabschnitte dieses Absatzes)</i>
Interest Commencement Date:	<b>[•]</b>
(i) Verzinsungsbeginn:	<b>[•]</b>
End of floating interest period:	<b>[•]</b>
(ii) Ende der Variablen zinsperiode:	<b>[•]</b>
Short/Long First/Last Fixed Interest Period:	<b>[Short/Long] [first/last] Fixed Interest Period [Insert Instructions]</b>
(iii) Kurze/Lange erste/letzte Festzinsperiode:	<b>[Kurze/Lange] [erste/letzte] Festzinsperiode [Bestimmungen einfügen]</b>

<sup>15</sup> Nur zu vervollständigen für Emissionen von festverzinslichen **[Schuldverschreibungen] [Hypothekendarlehen] [Öffentliche Darlehen]**, deren Zinstagequotient Actual / Actual-ICMA ist.

<sup>16</sup> Only to be completed for an issue of fixed rate **[Notes] [Mortgage Darlehen] [public sector Darlehen]** where Day Count Fraction is Actual / Actual-ICMA.

Specified Interest Payment Date(s): (Then (v) below does not apply)	<b>[•]</b> (specify: fixed dates, or dates that are determined as a certain number of Business Days after certain specified dates (in such case, also specify such dates); specify if such dates occur in each year or other period to be specified; also specify any applicable Business Centre(s) for the definition of "Business Day")
(iv) Festgelegte(r) Zinszahlungstag(e): (Dann findet (v) unten keine Anwendung)	<b>[•]</b> (einfügen: festgelegte Tage, oder Tage, die als eine bestimmte Anzahl Geschäftstage nach jeweils einem bestimmten Datum liegen; in letzterem Fall auch solche Daten benennen; bestimmen, ob die betreffenden Tage jährlich oder in einem anderen, dannn auch zu bestimmenden, Abstand erfolgen; auch jeweilige(s) Geschäftszentrum(-zentren) für die Definition von "Geschäftstag" angeben)
(v) Zinsperioden: (Dann findet (iv) oben keine Anwendung)	<b>[•]</b> (Feste Zinszahlungstage durch Bezugnahme auf jeweiligen Zeitraum nach dem Verzinsungsbeginn sowie den jeweils vorhergehenden Festen Zinszahlungstag spezifizieren; ebenso den ersten und letzten solchen Tag angeben)
Interest Periods: (Then (iv) above does not apply)	<b>[•]</b> (specify Fixed Interest Payment Dates by reference to period after Interest Commencement Date and/or last preceding Fixed Interest Payment Date; specify first and last such date)
Zinslaufperioden:	<b>[•]</b> (Feste Zinslaufperiodentage durch Bezugnahme auf jeweiligen Zeitraum nach dem Verzinsungsbeginn sowie den jeweils Zinslaufperiodentag spezifizieren; ebenso den ersten und letzten solchen Tag angeben)
Interest Accrual Periods:	<b>[•]</b> (specify Interest Accrual Period Dates by reference to period after Interest Commencement Date and/or last preceding Interest Accrual Period Date; specify first and last such date)
(vi) Art und Weise, in der der Zinssatz bestimmt wird:	<b>[Bestimmung vom Bildschirm / Bestimmung gemäß ISDA / andere Art der Bestimmung (Angabe von Einzelheiten)]</b>
Manner in which the Rate(s) of Interest is / are to be determined:	<b>[Screen Rate Determination / ISDA Determination / other (give details)]</b>
(vii) Zinslaufperiodentage	<b>[nicht anwendbar / Angabe von Tagen]</b>

	Interest Accrual Period Dates	[Not Applicable / <i>specify dates</i> ]
(viii)	Verantwortlicher für die Bestimmung des Zinssatzes (der Zinssätze) und des Zinsbetrags (der Zinsbeträge) (falls nicht [Agent]):	[•]
	Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Agent]):	[•]
(ix)	Bildschirmfeststellung:	[anwendbar / nicht anwendbar] <i>(falls nicht anwendbar, entfallen die Unterabschnitte dieses Absatzes)</i>
	Screen Rate Determination:	[Applicable / Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
A.	Relevante Zeit:	[•]
	Relevant Time:	[•]
B.	Zinsfestlegungstag:	<b>[•] [TARGET] Geschäftstag in [London / Angabe der Stadt] für [Angabe der Währung] vor [dem ersten Tag in jeder Zinsperiode / an jedem Zinszahlungstag]</b>
	Interest Determination Date:	<b>[•] [TARGET] Business Days [in [London / insert other relevant location] for [specify currency] prior to [the first day in each Interest Accrual Period / each Interest Payment Date]</b>
C.	Maßgebliche Quelle:	[Angabe der maßgeblichen Bildschirmseite]
	Primary Source for Floating Rate:	[Specify relevant screen page]
D.	Referenzbanken:	[Angabe von vier Referenzbanken]
	Reference Banks:	Refer [Specify four Reference Banks]
E.	Referenzsatz:	[LIBOR, LIBID, LIMEAN, EURIBOR oder anderer Referenzzinssatz]
	Reference Rate:	[LIBOR, LIBID, LIMEAN, EURIBOR or other benchmark]
(ix)	Zinsbestimmung gemäß ISDA:	[anwendbar / nicht anwendbar] <i>(falls nicht anwendbar, entfallen die Unterabschnitte dieses Absatzes)</i>
	ISDA Determination:	[Applicable / Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(a)	Floating Rate Option	[Angabe der Floating Rate Option]
	Floating Rate Option	[specify relevant Floating Rate Option]
(b)	Festgelegte Fälligkeit	[Angabe der maßgeblichen Festgelegten Fälligkeit]
	Designated Maturity	[specify relevant Designated Maturity]

	(c)	Neufestsetzungstag	[Angabe des maßgeblichen Neufestsetzungstages]
		Reset Date	[specify relevant Reset Date]
	(d)	ISDA Definitionen (falls von den Bedingungen abweichend)	[einfügen]
		ISDA Definitions (if different from those set out in the Conditions)	[insert]
	(x)	Margin:	[+/-] [•] % per annum
		Margin(s):	[+/-] [•] per cent. per annum
	(xi)	Mindestzinssatz:	[•] % per annum
		Minimum Rate of Interest:	[•] per cent. per annum
	(xii)	Höchstzinssatz:	[•] % per annum
		Maximum Rate of Interest:	[•] per cent. per annum
	(xiii)	Zinssatz-Multiplikator	[•]
		Rate Multiplier	[•]
	(xiv)	Zusatzvereinbarungen, Regelungen betreffend Rundungen, Nenner und andere Einzelheiten im Zusammenhang mit der Berechnung von Zinsen bei variabel verzinslichen [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Pfandbriefen], sofern abweichend von den Bedingungen:	[•]
		Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe], if different from those set out in the Conditions:	[•]
24.		Nullkuponmodalitäten	[anwendbar / nicht anwendbar] <i>(falls nicht anwendbar, entfallen die Unterabschnitte dieses Absatzes)</i>
		Zero Coupon Provisions	[Applicable / Not Applicable] <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i)	Emissionsrendite:	[•] % per annum
		Amortisation Yield:	[•] per cent. per annum
	(ii)	Andere Formel / Berechnung des fälligen Betrags:	[•]
		Any other formula / basis of determining amount payable:	[•]
25.		Strukturierte Zinssatz-Modalitäten	[anwendbar / nicht anwendbar] <i>(sofern anwendbar, anwendbare Bestimmung einfügen)</i>

	Structured Interest Rate Provisions	[Applicable / Not Applicable] <i>(If applicable, insert applicable provisions)</i>
26.	Swap-bezogene Zinsmodalitäten (ISDA)	[anwendbar / nicht anwendbar] <i>(sofern anwendbar, anwendbare Bestimmung einfügen)</i>
	Swap Rate Linked Interest (ISDA) Provisions	[Applicable / Not Applicable] <i>(If applicable, insert applicable provisions)</i>
27.	Aktienbezogene Zinsmodalitäten	[anwendbar / nicht anwendbar] <i>(sofern anwendbar, anwendbare Bestimmung einfügen)</i>
	Equity-Linked Interest Provisions	[Applicable / Not Applicable] <i>(If applicable, insert applicable provisions)</i>
28.	Indexbezogene Zinsmodalitäten	[anwendbar / nicht anwendbar] <i>(sofern anwendbar, anwendbare Bestimmung einfügen)</i>
	Index-Linked Interest Provisions	[Applicable / Not Applicable] <i>(If applicable, insert applicable provisions)</i>
29.	Doppelwährungsmodalitäten	[anwendbar / nicht anwendbar] <i>(sofern anwendbar, anwendbare Bestimmung einfügen)</i>
	Dual Currency Note Provisions	[Applicable / Not Applicable] <i>(If applicable, insert applicable provisions)</i>
30.	Allgemeine Regelungen zur Verzinsung General Provisions on Interest	
	(i) Zinstagequotient	[Actual/Actual (ICMA) <i>[auch Feststellungstermin einfügen]</i> ] [Actual/Actual (Actual/365)] [Actual/365 Fixed][Actual/360] [30/360 (Floating Rate), 360/360 oder Bond Basis] [30E/360 or Eurobond Basis] [30/360 (Fixed Rate)]
	Day Count Fraction	[Actual/Actual (ICMA) <i>[also insert Determination Date]</i> ] [Actual/Actual (Actual/365)] [Actual/365 Fixed][Actual/360] [30/360 (Floating Rate), 360/360 or Bond Basis] [30E/360 or Eurobond Basis] [30/360 (Fixed Rate)]
	(ii) Geschäftstagekonvention	[Adjusted / Unadjusted] und [Mdifizierter Folgender Geschäftstag] [FRN Konvention] [Folgender Geschäftstag] [Vorausgehender Geschäftstag]
	Business Day Convention	[Adjusted / Unadjusted] and [Modified Following] [FRN Convention] [Following] [Preceding]
	(iii) Geschäftszentrum(-zentren): (für die Definition von "Geschäftstag")	[•]

	Business Centre(s): (for the definition of "Business Day")	[•]
(iv)	Hauptfinanzzentrum der Festgelegten Währung (falls nicht Euro): (für die Definition von "Geschäftstag")	[•]
	principal financial centre for Specified Currency (if not Euro): (for the definition of "Business Day")	[•]
(v)	Zinslaufperiode	[Anwendbar/Nicht Anwendbar]
	Interest Accrual Period	[Applicable/Not Applicable]
(vi)	Zinslaufperiodentag	[Nur falls anwendbar: [Daten einfügen]]
	Interest Accrual Period Date	[Only if Applicable: [insert dates]]
(vii)	Bestimmte Definitionen	[•]
	Certain Definitions	[•]

#### **EINZELHEITEN ZUR RÜCKZAHLUNG (§ 4)**

#### **PROVISIONS RELATING TO REDEMPTION (§ 4)**

31. Rückzahlung (§ 4(1))

Final Redemption (§ 4(1))

*Insbesondere im Falle von Index Linked Redemption [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] oder sonstigen strukturierten [Schuldverschreibungen] [Hypothekenpfandbriefen] [Öffentlichen Pfandbriefen] ist folgende Variante zu erwägen:*

§ 4 der Bedingungen ist in seiner Gesamtheit durch [die folgenden Regelungen][Annex [•]] ersetzt.

*Especially in case of Index Linked Redemption [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] or other structured redemption [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe], consider the following:*

§ 4 of the Conditions is replaced in its entirety by [the following provisions][Annex [•]].

*Andernfalls sind folgende Angaben zu machen: :*

*Otherwise, please provide the following information:*

32. Endfälligkeitstag (Außer Raten-

[Schuldverschreibungen]

[Hypothekenpfandbriefen] [Öffentlichen Pfandbriefen])

Maturity Date ([Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] other than Instalment [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe])

(i) Festgelegter Endfälligkeitstag

[nicht anwendbar / Angabe von Einzelheiten]  
[•]

Specified Maturity Date

[Not Applicable / give details]

(ii)	Rückzahlungsmonat ( <i>Außer Raten- [Schuldverschreibungen] [Hypothekendarlehen]</i> [Öffentlichen Darlehen])	[nicht anwendbar / Angabe von Einzelheiten] [•]
	Redemption Month ( <i>[Notes] [Mortgage Darlehen] [Public Sector Darlehen] other than Instalment [Notes] [Mortgage Darlehen] [Public Sector Darlehen]</i> )	[Not Applicable / give details]
33.	Rückzahlungsbetrag ( <i>Außer Raten- [Schuldverschreibungen] [Hypothekendarlehen]</i> [Öffentlichen Darlehen])	[Nennbetrag][anderen Rückzahlungsbetrag] pro festgelegtem Nennbetrag einfügen
	Final Redemption Amount ( <i>[Notes] [Mortgage Darlehen] [Public Sector Darlehen] other than Instalment [Notes] [Mortgage Darlehen] [Public Sector Darlehen]</i> )	[principal amount][insert other Final Redemption Amount per Specified Denomination]
34.	Einzelheiten in Bezug auf Raten- [Schuldverschreibungen] [Hypothekendarlehen] [Öffentliche Darlehen] ( <i>Betrag jeder Rate und Tag, an dem die Zahlung zu leisten ist</i> )	[nicht anwendbar / Angabe von Einzelheiten]
	Details relating to Instalment [Notes] [Mortgage Darlehen] [Public Sector Darlehen] ( <i>amount of each instalment, date on which each payment is to be made</i> )	[Not Applicable / give details]
35.	Vorzeitige Rückzahlung nach Wahl der Emittentin (§ 4[(2)][(3)])	[anwendbar / nicht anwendbar] <i>(falls nicht anwendbar, entfallen die Unterabschnitte dieses Absatzes)</i>
	Redemption at the Option of the Issuer (§ 4[(2)][(3)])	[Applicable / Not Applicable] <i>(If not applicable, delete the remaining sub- paragraphs of this paragraph)</i>
(i)	Emittentenkündigungs- Rückzahlungstag(e):	[•]
	Optional Redemption Date(s):	[•]
(ii)	Emittentenkündigungs- Rückzahlungsbetrag je Schuldverschreibung und, falls anwendbar, Methode zu deren Berechnung:	[•] je Schuldverschreibung
	Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[•] per Note
(iii)	Bei Rückzahlung in Teilbeträgen: If redeemable in part:	
(a)	Mindestrückzahlungsbetrag:	[•]
	Minimum Redemption Amount:	[•]
(b)	Höchst-rückzahlungsbetrag:	[•]

	Maximum Redemption Amount:	<b>[•]</b>
(iv)	Emittentenkündigungs- Optionsausübungstag:	<b>[Anwendbare Bestimmung einfügen]</b>
	Call Option Exercise Date(s):	<b>[Insert applicable provision]</b>
(v)	Beschreibung eines anderen Rechtes der Emittentin:	<b>[•]</b>
	Description of any other Issuer's option:	<b>[•]</b>
(vi)	Kündigungsfrist: <sup>17</sup>	<b>[Mindestkündigungsfrist]</b> <b>[Höchstkündigungsfrist]</b>
	Notice period: <sup>18</sup>	<b>[Minimum Notice Period to Noteholders]</b> <b>[Maximum Notice Period to Noteholders]</b>
36.	Vorzeitige Rückzahlung nach Wahl der Anleihegläubiger (§ 4(4)): <sup>19</sup>	<b>[anwendbar / nicht anwendbar] (falls nicht anwendbar, entfallen die Unterabschnitte dieses Absatzes)</b>
	Redemption at the Option of the Noteholder (§ 4(4)): <sup>20</sup>	<b>[Applicable / Not Applicable]</b> <i>(If not applicable, delete the remaining sub- paragraphs of this paragraph)</i>
(i)	Anleihegläubigerkündigungs- Rückzahlungstag(e):	<b>[•]</b>
	Put Redemption Date(s):	<b>[•]</b>
(ii)	Anleihegläubigerkündigungs- Rückzahlungsbetrag und, falls anwendbar, Methode zu deren Berechnung:	<b>[•]</b>
	Put Redemption Amount(s) and method, if any, of calculation of such amount(s):	<b>[•]</b>
(iii)	Anleihegläubigerkündigungs- Optionsausübungstag:	<b>[anwendbare Bestimmung einfügen]</b>
	Put Option Exercise Date(s):	<b>[Insert applicable provision]</b>
(iv)	Beschreibung eines anderen Rechtes der Anleihegläubiger:	<b>[•]</b>
	Description of any other Noteholder's option:	<b>[•]</b>
(v)	Kündigungsfrist: <sup>21</sup>	<b>[Mindestkündigungsfrist]</b> <b>[Höchstkündigungsfrist]</b>

<sup>17</sup> Bei der Festlegung von Kündigungsfristen, die sich von den in den Bedingungen festgelegten unterscheiden, wird den Emittenten geraten, die Praktikabilität der Übermittlung von Informationen durch Intermediäre zu bedenken, beispielsweise durch Clearingsysteme oder Depotbanken, als auch jede andere möglicherweise bestehende Mitteilungspflicht, beispielsweise zwischen der Emittentin und dem Fiscal Agent.

<sup>18</sup> If setting notice periods which are different to those provided in the Conditions, issuers are advised to consider the practicalities of distribution of information through intermediaries, for example clearing systems and custodians, as well as any other notice requirements which may apply, for example as between the issuer and its fiscal agent.

<sup>19</sup> Nicht anwendbar auf nachrangige Schuldverschreibungen, die als aufsichtsrechtliche Eigenmittel gelten sollen, und Pfandbriefe.

<sup>20</sup> Not applicable to Subordinated Notes which are to qualify as regulatory capital and Pfandbriefe.

<sup>21</sup> Bei der Festlegung von Kündigungsfristen, die sich von den in den Bedingungen festgelegten unterscheiden, wird den Emittenten geraten, die Praktikabilität der Übermittlung von Informationen durch Intermediäre zu bedenken, beispielsweise durch Clearingsysteme oder Depotbanken, als auch jede andere möglicherweise bestehende Mitteilungspflicht, beispielsweise zwischen der Emittentin und dem Fiscal Agent.



	Notice period: <sup>22</sup>	[Minimum Notice Period to Issuer] [Maximum Notice Period to Issuer]
37.	Rückzahlungsbetrag bei Endfälligkeit  Final Redemption Amount	[zum Nennbetrag / anderer Betrag / gemäß Anhang]  [Par / other / see Annex]
38.	Strukturierter Satz-bezogene Rückzahlungsmodalitäten <sup>23</sup>  Structured Rate Linked Redemption Provisions <sup>24</sup>	[anwendbar / nicht anwendbar] <i>(sofern anwendbar, anwendbare Bestimmung einfügen)</i> [Applicable / Not Applicable] <i>(If applicable, insert applicable provisions)</i>
39.	Swap-Rate-bezogene Rückzahlungsmodalitäten <sup>20</sup>  Swap-Rate Linked Redemption Provisions <sup>19</sup>	[anwendbar / nicht anwendbar] <i>(sofern anwendbar, anwendbare Bestimmung einfügen)</i> [Applicable / Not Applicable] <i>(If applicable, insert applicable provisions)</i>
40.	Aktienbezogene Rückzahlungsmodalitäten <sup>20</sup>  Equity Linked Redemption Provisions <sup>19</sup>	[anwendbar / nicht anwendbar] <i>(sofern anwendbar, anwendbare Bestimmung einfügen)</i> [Applicable / Not Applicable] <i>(If applicable, insert applicable provisions)</i>
41.	Indexbezogene Rückzahlungsmodalitäten <sup>20</sup>  Index Linked Redemption Provisions <sup>19</sup>	[anwendbar / nicht anwendbar] <i>(sofern anwendbar, anwendbare Bestimmung einfügen)</i> [Applicable / Not Applicable] <i>(If applicable, insert applicable provisions)</i>
42.	Vorzeitige Rückzahlung <sup>25</sup> Vorzeitige(r) Rückzahlungsbetrag(-beträge) bei vorzeitiger Rückzahlung auf Grund des Eintritts eines Gross-up-Ereignisses oder bei Vorliegen von Kündigungsgründen für die Anleihegläubiger (soweit anwendbar) und Methode zu deren Berechnung (falls erforderlich oder falls abweichend von den Bedingungen):  Early Redemption <sup>26</sup> Early Redemption Amount(s) of each Note payable on redemption for the occurrence of a Gross up Event, or an event of default (if applicable) and / or the method of calculating the same (if required or if different from that set out in the Conditions):	

<sup>22</sup> If setting notice periods which are different to those provided in the Conditions, issuers are advised to consider the practicalities of distribution of information through intermediaries, for example clearing systems and custodians, as well as any other notice requirements which may apply, for example as between the issuer and its fiscal agent.

<sup>23</sup> nur im Fall von derivativen Schuldverschreibungen.

<sup>24</sup> only in the case of derivative Notes.

<sup>25</sup> Nicht anwendbar bei Pfandbriefen.

<sup>26</sup> Not applicable in case of Pfandbriefe.

Vorzeitiger Rückzahlungsbetrag

[der Nennbetrag der Schuldverschreibungen] [zuzüglich bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen] [und aller ausstehenden Zinsrückstände] [den Amortisationsbetrag der Schuldverschreibungen] [der von der Berechnungsstelle unter Berücksichtigung der Grundsätze von Treu und Glauben und in kaufmännisch vernünftiger Weise unmittelbar vor einer solchen vorzeitigen Rückzahlung (ungeachtet der dazu führenden Umstände) festgelegte marktgerechte Wert der Schuldverschreibungen, angepasst, um etwaigen angemessenen Aufwendungen und Kosten bei der Auflösung von Basiswerten und/oder damit in Zusammenhang stehender Absicherungs- und Finanzierungsvereinbarungen (unter anderem einschließlich von Aktienoptionen, Aktienswaps oder sonstigen Instrumenten gleich welcher Art, welche die Verpflichtungen der Emittentin aus diesen Schuldverschreibungen absichern oder finanzieren) vollauf Rechnung zu tragen] [andere Bestimmungen einfügen].

Early Redemption Amount

[the principal amount of the Notes] [plus accrued interest until the date of redemption (exclusive)] [and all outstanding Arrears of Interest] [the Amortised Face Amount of the Notes] [the amount determined in good faith and in a commercially reasonable manner by the Calculation Agent to be the fair market value of the Notes immediately prior (and ignoring the circumstances leading) to such early redemption, adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation any equity options, equity swaps or other instruments of any type whatsoever hedging the Issuer's obligations under the Note)] [insert other applicable provisions].

43. Einschränkung des Kündigungsrechts und des Rückkaufs aus aufsichtsrechtlichen Gründen (§ 4(6))<sup>27</sup>

[nicht zutreffend / anwendbare Bestimmungen einfügen]

Limitation of termination rights and purchase in compliance with regulatory provisions (§ 4(6)).<sup>28</sup>

[Not Applicable / insert applicable provisions]

## ZAHLUNGEN (§ 5)

<sup>27</sup> Nur anwendbar auf nachrangige Schuldverschreibungen.

<sup>28</sup> Only applicable to subordinated Notes.

**PAYMENTS (§ 5)**

44. Zahlungen auf Vorläufige Globalurkunde eingeschränkt [Ja][Nein]
- Payments on Temporary Global **[Notes]** [Yes][No]  
**[Mortgage Pfandbriefe]** **[Public Sector Pfandbriefe]** **Restricted**
45. Finanzzentrum ( -zentren) oder andere spezielle Vereinbarungen in Bezug auf Zahltage: [nicht anwendbar / Angabe von Einzelheiten. (Bitte beachten, dass diese Angabe sich auf den Ort der Zahlung bezieht und nicht auf die Länge der Zinsperiode, die in Punkt 18 (iv) geregelt ist)]
- Financial Centre(s) or other special provisions relating to Payment Business Dates: [Not Applicable / give details. Note that this item relates to the date and place of payment, and not interest period end dates, to which item 18(iv) relates]
46. Bezugnahmen auf "Kapital" schließen auch ein: [den Vorzeitigen Rückzahlungsbetrag der [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Pfandbriefe],] [den Emittentenkündigungs-Rückzahlungsbetrag der [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Pfandbriefe],] [den Anleihegläubiger-Rückzahlungsbetrag der [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Pfandbriefe],] [den Amortisationsbetrag der [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Pfandbriefe],][die auf die [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Pfandbriefe] zu leistende(n) Rate(n),] [etwaige Zusätzliche Beträge] **[andere Beträge]**
- References to "principal" also include: [the Early Redemption Amount of the **[Notes]** **[Mortgage Pfandbriefe]** **[Public Sector Pfandbriefe]]** [the Optional Amount of the **[Notes]** **[Mortgage Pfandbriefe]** **[Public Sector Pfandbriefe],]** [the Put Redemption Amount of the **[Notes]** **[Mortgage Pfandbriefe]** **[Public Sector Pfandbriefe],]** [the Amortised Face Amount of the **[Notes]** **[Mortgage Pfandbriefe]** **[Public Sector Pfandbriefe],]** [the Instalment Amount(s) of the **[Notes]** **[Mortgage Pfandbriefe]** **[Public Sector Pfandbriefe]** **[any Additional Amounts]** **[insert other amount(s)]**

**FISCAL AGENT [CALCULATION AGENT] AND PAYING AGENTS (§ 6)****FISCAL AGENT [, BERECHNUNGSSTELLE] UND ZAHLSTELLEN (§ 6)**

- |     |  |     |
|-----|--|-----|
| 47. | Fiscal Agent und Hauptzahlstelle:        | [•] |
|     | Fiscal Agent and Principal Paying Agent  | [•] |
| 48. | Weitere Zahlstell(en) (falls anwendbar): | [•] |
|     | Additional Paying Agent(s) (if any):     | [•] |
| 49. | Berechnungsstelle (falls anwendbar)      | [•] |
|     | Calculation Agent (if applicable)        | [•] |

**BEKANNTMACHUNGEN (§ [10][11])****NOTICES (§ [10][11])**

- |     |   |           |
|-----|---|-----------|
| 50. | Notierung an der Luxemburger Börse:             | [Yes][No] |
|     | Notierung an der Börse Düsseldorf:              |           |
|     | [•]   |           |
|     | [Luxembourg Listing]                            | [Yes][No] |
|     | [Düsseldorf Listing]                            |           |
|     | [•]   |           |
| 51. | Anzahl Tage (Mitteilung an das Clearing System) | [•]       |
|     | Number of Days (notice to Clearing System)      | [•]       |

**ALLGEMEINE ANGABEN ZU DEN [SCHULDVERSCHREIBUNGEN] [HYPOTHEKENPFANDBRIEFE] [SCHIFFSPFANDBRIEFE] [ÖFFENTLICHE PFANDBRIEFE]****GENERAL PROVISIONS APPLICABLE TO THE [NOTES] [MORTGAGE PFANDBRIEFE] [PUBLIC SECTOR PFANDBRIEFE]****BEDINGUNGEN DES ANGEBOTS****CONDITIONS OF THE OFFER**

- |                          |     |
|--------------------------|-----|
| Bedingungen des Angebots | [•] |
| Conditions of the Offer  | [•] |
| Angebotsfrist            | [•] |
| Offer Period             | [•] |

**ZUTEILUNG DER [SCHULDVERSCHREIBUNGEN] [HYPOTHEKENPFANDBRIEFE] [ÖFFENTLICHE PFANDBRIEFE]****PLAN OF DISTRIBUTION AND ALLOTMENT**

- |  |     |
|--|-----|
| Zielgruppe und Märkte                    | [•] |
| Potential Investors and Markets          | [•] |
| Zuteilungsverfahren                      | [•] |
| Notification Process for allotted amount | [•] |

Gleichzeitiges Angebot  
*(falls die [Schuldverschreibungen] [Hypothekendarlehen] [Öffentlichen Pfandbriefe] in verschiedenen Märkten in mindestens 2 Ländern angeboten werden und eine Tranche für einen bestimmten vorbehalten ist, diese angeben)*

Simultaneous Offer  
*(If the offer is made simultaneously in the markets of two or more countries and if a tranche has been reserved for certain of these, indicate such tranche)*

## ANGABEN ZUR PLATZIERUNG UND ÜBERNAHME

### PLACING AND UNDERWRITING

- |     |  |  |
|-----|--|--|
| 52. | (i) Falls syndiziert: Namen, Adressen und Übernahmequoten des oder der Lead Manager und der Manager<br><br>If syndicated, names, addresses and allotments of Lead Manager(s) and Manager(s):   | [nicht anwendbar / Angabe von Einzelheiten]<br><br>[Not Applicable / give names]                                 |
| 53. | Datum des Übernahmevertrages<br><br>Date of Subscription Agreement   | [•]<br><br>[•]   |
| 54. | (ii) Stabilising Agent:<br><br>Stabilising Agent (if any):   | [nicht anwendbar / Angabe des Namens]<br><br>[Not Applicable / give name]  |
|     | (iii) Provision der Dealer:<br><br>Dealer's commission:  | [•]<br><br>[•]   |
| 55. | Falls nicht syndiziert: Name des Dealers:<br><br>If non-syndicated, name of Dealer:<br><br>[Information of Possible Reduction of Subscription /Manner of refunding excess amount]<br><br><i>[Angaben zur Reduzierung der Zeichnung/Art und Weise der Rückerstattung des zuviel gezahlten Betrages</i><br><br>[Additional Information with respect to distribution and underwriting]<br><br><i>[Zusätzliche Informationen in Bezug auf Übernahme und Platzierung]</i> | [nicht anwendbar / Angabe von Einzelheiten]<br><br>[Not Applicable / give name]<br><br>[•]<br><br>[•]<br><br>[•] |
| 56. | Market Making<br><br><i>(Name und Anschrift der jeweiligen Gesellschaften angeben, die sich als Intermediäre im Sekundärmarkt, welche Liquidität durch bid und offer-Kurse bereitstellen, verpflichtet haben und die wichtigsten Regelungen dieser Verpflichtung)</i>  | [•]  |

Market Making **[•]**

*(insert name and address of entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment)*

57. Zusätzliche Verkaufsbeschränkungen: **[nicht anwendbar / Angabe von Einzelheiten]**  
Additional selling restrictions: **[Not Applicable / give details]**

## OPERATIONAL INFORMATION

### TECHNISCHE ANGABEN

58. ISIN Code: **[•]**

59. Common Code: **[•]**

60. Clearing System(e): **[Clearstream, Frankfurt / Clearstream, Luxembourg / Euroclear]**  
**[anderes / zusätzliches Clearing System]**  
*(Angabe von Einzelheiten)*  
**[nicht anwendbar]**

Clearing System(s): **[Clearstream, Frankfurt / Clearstream, Luxembourg / Euroclear]**  
**[other / additional Clearing System]**  
*(give name(s) and number(s))*  
**[Not Applicable]**

61. Lieferung: **[Lieferung gegen Zahlung / frei von Zahlung]**  
Delivery: **Delivery [against / free of] payment**

62. Fiscal Agent und Hauptzahlstelle: **[•]**  
Fiscal Agent and Principal Paying Agent **[•]**

63. Weitere Zahlstell(en) (falls anwendbar): **[•]**  
Additional Paying Agent(s) (if any): **[•]**

64. Anzuwendende TEFRA Regeln: **[D Rules][C Rules]**  
Applicable TEFRA Rules: **[D Rules][C Rules]**

65. Anwendbares Recht: **Deutsches Recht**  
Governing Law: **German Law**

66. Bindende Sprache: **Sprache: [Deutsch / Englisch]**  
**Der [englische][deutsche] Text ist bindend und maßgeblich. Die Übersetzung in die [deutsche][englische] Sprache ist unverbindlich.**

Binding Language:

Language: [German / English]

The [English][German] text shall be prevailing and binding. The [German][English] language translation is provided for convenience only.

67. Der Gesamtnennbetrag der [Schuldverschreibungen] [Hypothekendarpfandbriefe] [Öffentlichen Pfandbriefe] wurde in Euro zum Kurs von [Betrag] [Währung] = 1 Euro umgerechnet, dies ergibt einen Betrag von:

Euro [●]

The aggregate principal amount of [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] has been translated into Euro at the rate of [amount] [currency] = 1 Euro, producing the sum of:

Euro [●]

[Rating der [Schuldverschreibungen] [Hypothekendarpfandbriefe] [Öffentlichen Pfandbriefe]

[Nicht Anwendbar / Details einfügen]

[Rating of the [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe]

[Not Applicable / give details]]

[Berater /Funktion]

[Nicht Anwendbar / Details einfügen]

[Advisors/Function]

[Not Applicable / give details]]

[Informationen nach Emission]

[Nicht Anwendbar / Details einfügen]

[Post Issuance Information]

[Not Applicable / give details]]

## **ALLGEMEINES**

### **GENERAL**

### **[ANTRAG AUF BÖRSEZULASSUNG**

Dieses Dokument enthält die Einzelheiten, die zur Notierung der hier beschriebenen [Schuldverschreibungen] [Hypothekendarpfandbriefe] [Öffentlichen Pfandbriefe] gemäß notwendig sind.]

### **[LISTING APPLICATION**

*This document comprises the details required to list the issue of [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] described herein]*

### **VERANTWORTUNG**

[Die WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG übernimmt gemäß § 5 Abs. (4) des Wertpapierprospektgesetzes in Verbindung mit § 44 Börsengesetz die Verantwortung für den Inhalt dieses Dokuments.]

### **RESPONSIBILITY**

*WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG accepts responsibility for this accordingly under § 5 Sec. (4) German Securities Prospectus Act (Wertpapierprospektgesetz) in connection with § 44 German Stock Exchange Act (Börsengesetz).*

**[INTERESSENKONFLIKTE VON NATÜRLICHEN ODER JURISTISCHEN PERSONEN, DIE BEI DER EMISSION/DEM ANGEBOT BETEILIGT SIND]**

[Außer wie im Abschnitt "wichtige Informationen" dargelegt hat, soweit es der Emittentin bekannt ist, keine Person, die bei dem Angebot der [Schuldverschreibungen] [Hypothekenpfandbriefe] [Öffentlichen Pfandbriefe] beteiligt ist, Interessenkonflikte, die Einfluss auf die [Schuldverschreibungen] [Hypothekenpfandbriefe] [Öffentlichen Pfandbriefe] haben.][•]

**[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]**

[Save as discussed in "Key Information", so far as the Issuer is aware, no person involved in the offer of the [Notes] [Mortgage Pfandbriefe] [Public Sector Pfandbriefe] has an interest material to the offer.][•]

**[INFORMATIONEN BEZÜGLICH DER [AKTIEN] [INDIZES] [BASISWERTE] [REFERENZUNTERNEHMEN]**

[Fallbezogen / Insbesondere Typ des Basiswerts sowie Informationen wo Angaben zum Basiswert eingeholt werden können; im Fall von Wertpapieren: Name des Wertpapieremittenten sowie ISIN (bzw. eines ähnlichen Wertpapieridentifikationscodes); im Fall eines Index: Bezeichnung des Index und Indexbeschreibung falls der Index von der Emittentin zusammengestellt wurde, falls nicht Angabe des Ortes wo Angaben zu diesem Index zu finden sind; im Fall eines Zinssatzes: Beschreibung; im Fall von anderen Basiswerten eine gleichwertige Beschreibung, Im Falle eines Basiswertkorbes: Angaben der Gewichtungen]]

**[INFORMATION REGARDING [SHARES] [INDICES ] [REFERENCE ASSETS] [REFERENCE ENTITIES]**

*[As required / in particular: type of underlying and details where information can be obtained; an indication where information about the past and the further performance and the volatility of the underlying can be obtained; in the case of securities: the name of the issuer and the ISIN (or other securities identification code); in the case of an index: the name of the index and a description if it is composed by the Issuer, if it is not composed by the Issuer, where information about the index can be obtained; in the case of an interest rate: description of the interest rate; in the case of other underlyings: equivalent information; in the case of a basket the relevant weightings of the basket components]]*

**[ZUSÄTZLICHE SPEZIFISCHE RISIKOFAKTOREN]**

[gegebenenfalls in Bezug auf spezielle Risiken des jeweiligen Basiswertes und der jeweiligen Auszahlungsformel]]

**[ADDITIONAL SPECIFIC RISK FACTORS]**

*[With respect to specific risks arising from the relevant underlying and the details of the relevant payout-profile of the Non-Equity Securities as required.]]*

**[ZUSÄTZLICHE SPEZIFISCHE DARSTELLUNG DER BESTEUERUNG]**

[Fallbezogen]]

**[ADDITIONAL SPECIFIC TAX DISCLOSURE]**

*[As required]]*

Signed on behalf of [WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG]:

*Unterschrift für [WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG]:*

By / Durch: \_\_\_\_\_

Duly authorised / Bevollmächtigter



Münster und Düsseldorf, den 10. Mai 2006

WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG

gez. Dr. Sommer

gez. ppa. Wirsen

WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank

gez. i.V. Ständer

gez. ppa. Weber

## ISSUER

### **WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG**

Sentmaringer Weg 1  
48151 Münster  
Germany

## JOINT- ARRANGERS

**Dresdner Bank AG**  
Jürgen-Ponto-Platz 1  
60301 Frankfurt am Main  
Germany

**WGZ-Bank AG Westdeutsche Genossenschafts-  
Zentralbank**  
Ludwig-Erhard-Allee 20  
D-40227 Düsseldorf  
Germany

## DEALERS

**WL-BANK WESTFÄLISCHE LANDSCHAFT  
Bodenkreditbank AG**  
Sentmaringer Weg 1  
48151 Münster  
Germany

**WGZ-Bank AG Westdeutsche Genossenschafts-  
Zentralbank**  
Ludwig-Erhard-Allee 20  
40227 Düsseldorf  
Germany

**ABN AMRO Bank N.V.**  
250 Bishopsgate  
London EC2M 4AA  
United Kingdom

**Barclays Bank PLC**  
5 The North Colonnade  
Canary Wharf  
London E14 4BB  
United Kingdom

**Bayerische Hypo- und Vereinsbank AG**  
Arabellastrasse 12  
81925 München  
Germany

**Citigroup Global Markets Limited**  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

**Commerzbank AG**  
Neue Mainzer Strasse 32-36  
60261 Frankfurt am Main  
Germany

**Deutsche Bank Aktiengesellschaft**  
Grosse Gallusstrasse 10-14  
60272 Frankfurt am Main  
Germany

**Dresdner Bank AG**  
Jürgen-Ponto-Platz 1  
D-60301 Frankfurt am Main  
Germany

**DZ BANK AG Deutsche Zentral-  
Genossenschaftsbank,  
Frankfurt am Main**  
Platz der Republik  
60265 Frankfurt am Main  
Germany

**HSBC Bank plc**  
8 Canada Square  
London E14 5HQ  
United Kingdom

**Landesbank Baden-Württemberg**  
Am Hauptbahnhof 2  
70173 Stuttgart  
Germany

**Morgan Stanley & Co. International Limited**  
Global Capital Markets  
25 Cabot Square  
Canary Wharf  
London E14 4QA  
United Kingdom

**UBS Limited**  
1 Finsbury Avenue  
London EC2M 2PP  
United Kingdom

**FISCAL AGENT**

**WL-BANK WESTFÄLISCHE LANDSCHAFT Bodenkreditbank AG**  
Sentmaringer Weg 1  
D-48151 Münster  
Germany

**PAYING AGENT AND CALCULATION AGENT**

**WGZ-Bank AG Westdeutsche Genossenschafts-Zentralbank**  
Ludwig-Erhard-Allee 20  
40227 Düsseldorf  
Germany

**LEGAL ADVISORS TO THE ARRANGERS**

**Linklaters**  
Mainzer Landstrasse 16  
60325 Frankfurt am Main  
Germany

**AUDITORS FOR THE ISSUER**

**Deutsche Genossenschafts-Revision Wirtschaftsprüfungsgesellschaft GmbH**  
Adenauerallee 121  
53113 Bonn  
Germany

**AUDITORS FOR WGZ BANK**

**Deutscher Genossenschafts- und Raiffeisenverband e.V.**  
Pariser Platz 3  
10117 Berlin  
Germany