

[BASE] [PROSPECTUS] [FINAL TERMS]



for

[Butterfly] [Twin Win] [•] Certificates

**Deutsche Bank AG [London]**

[Up to] [Quantity] [Butterfly] [Twin Win] [•] Certificates [each WKN/ISIN] relating to [insert details of the Underlying]

Issued under its X-markets™ [Butterfly] [Twin Win] [•] Programme

[Issue Price: [Amount] [•] per [Butterfly] [Twin Win] [•] Certificate] [WKN/ISIN]

The issuer (the “**Issuer**”) of the securities described in [this Prospectus] [these Final Terms] is Deutsche Bank AG, Frankfurt am Main, incorporated under the laws of Germany[, acting through its London branch (“**Deutsche Bank AG London**”). [Deutsche Bank AG London is registered as a foreign company in England and Wales.]

Under its X-markets [Butterfly] [Twin Win] [•] Programme (the “**Programme**”), the Issuer is authorised to and may issue securities relating to shares and/or indices and/or other securities and/or fund shares and/or commodities and/or foreign exchange rates and/or other assets. The Issuer has determined to issue [up to] [quantity] per [Butterfly] [Twin Win] [•] certificate (the “**Securities**”) relating to the [Shares] [Index] [Basket] [certificate] [American Depositary Receipt (ADR)] [Other Securities] [Fund Shares] [Commodities] [Foreign Exchange Rates] [Futures] specified [above][below] and upon the final terms and conditions set out in the “**Product Conditions**” section of this document and the general terms and conditions set out in this document (the “**General Conditions**”, which together with the Product Conditions shall be referred to as the “**Conditions**”). This Programme shall be used for Securities for which the Issuer has elected Luxembourg as its home Member State as defined in Directive 2003/71/EC Chapter 1, Article 2(1)(m). References to the term “**Underlying**” shall be construed as references to the [Shares] [Index] [Basket] [certificate] [American Depositary Receipt (ADR)] [Other Securities] [Fund Shares] [Commodities] [Foreign Exchange Rates] [Futures] specified above.

The Issuer has a right of substitution and a right to change the office through which it is acting, subject as provided in General Condition 8.

[Application has been made to list the Securities on the [Luxembourg Stock Exchange and admitted to trading on the [regulated market of the Luxembourg Stock Exchange][Euro MTF market] [[regulated] [•] market of the [•] Stock Exchange][, which is a regulated market for the purposes of Directive 2003/71/EC]. [Please insert relevant exchanges] [The Securities have been admitted to the [regulated markets of] [•] exchanges of [insert relevant exchanges] , which are regulated markets for the purposes of Directive 2003/71/EC]. [The Securities will not be admitted to the regulated market of any exchange.]

**Prospective purchasers of the Securities should ensure that they understand fully the nature of the Securities, as well as the extent of their exposure to risks associated with an investment in the Securities and should consider the suitability of an investment in the Securities in the light of their own particular financial, fiscal and other circumstances. Prospective purchasers of the Securities should refer to the “Risk Factors” section of this document. The Securities will represent unsubordinated, unsecured contractual obligations of the Issuer which will rank *pari passu* in all respects with each other.**

The Securities have not been and will not be and are not required to be registered under the United States Securities Act of 1933, as amended. The Securities may not be offered or sold except to persons located outside the United States. For a description of certain restrictions on the sale and transfer of the Securities, please refer to the General Information section of this document.

**The Base Prospectus is dated 5 May 2006 and provides information with respect to various types of financial instruments which are capable of issue under the [Butterfly] [Twin Win] [•] Programme. [These Final Terms][This Prospectus] constitute(s), in relation to the Securities only, a completed version of the Base Prospectus and is dated [•] [•], [•].**

For listing purposes, the Luxembourg Stock Exchange has allocated the No. 13324 to the programme allowing the Issuer to issue the Securities.

Deutsche Bank

### **IMPORTANT**

*Deutsche Bank AG, [Frankfurt am Main] [London] accepts responsibility for the information contained in this document. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.*

*No dealer, salesman or other person is authorised to give any information or to make any representation other than those contained in this document in connection with the offering or sale of the Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any Agent. None of this document and any further information supplied in connection with the Securities is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer that any recipient of this document or any further information supplied in connection with the Securities should purchase any of the Securities. Each investor contemplating purchasing Securities should make its own independent investigation of the risks involved in an investment in the Securities. Neither this document nor any other information supplied in connection with the Securities constitutes an offer by or on behalf of the Issuer or any other person to subscribe for or purchase any Securities, i.e. no subscription agreement or purchase agreement may be effectively concluded in connection with Securities by way of unilateral statement by or on behalf of the subscribing or purchasing party.*

*The distribution of this document and the offering of the Securities in certain jurisdictions may be restricted by law. The Issuer does not represent that this document may be lawfully distributed, or that the Securities may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any distribution or offering. Accordingly, the Securities may not be offered or sold, directly or indirectly, and none of this document, any advertisement relating to the Securities and any 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 document comes must inform themselves about, and observe, any such restrictions. Please refer to General Selling and Transfer Restrictions contained in the section entitled General Conditions contained in this document, and the additional information contained in the section "Country Specific Information" attached hereto.*

*This document contains forward-looking statements. Forward-looking statements are statements that are not historical facts, including statements about our beliefs and expectations. Any statement in this document that states our intentions, beliefs, expectations or predictions (and the assumptions underlying them) is a forward-looking statement. These statements are based on plans, estimates, and projections as they are currently available to the management of Deutsche Bank. Forward-looking statements therefore speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events. Forward-looking statements involve inherent risks and uncertainties. A number of important factors could therefore cause actual results of the Issuer or of the Securities to differ materially from those contained in any forward-looking statement.*

## DOCUMENTS INCORPORATED BY REFERENCE

[The following documents shall be incorporated in, and form part of, this Base Prospectus:

	Document	Approved by:
1.	<p><u>Registration Document of Deutsche Bank AG dated 1 July 2005</u> Containing all information concerning the Issuer as required by Regulation 2003/71/EC:</p> <ul style="list-style-type: none"> <li>• Details of Responsible Persons</li> <li>• Statutory auditors of Deutsche Bank AG</li> <li>• Risk Factors relating to the Issuer</li> <li>• History and Development of the Issuer</li> <li>• Business Overview (including principal business activities and markets)</li> <li>• Trend information / Recent developments and outlook</li> <li>• Statement of no material adverse change</li> <li>• Financial information concerning Deutsche Bank's Assets and Liabilities, Financial Position and Profits and Losses                             <ul style="list-style-type: none"> <li>- Financial Statements of the Deutsche Bank group, 31 December 2004</li> <li>- Financial Statements of the Deutsche Bank group, 31 December 2003</li> </ul> </li> <li>• Organisational structure</li> <li>• Administrative, management and supervisory bodies</li> <li>• Details of major shareholders</li> <li>• Legal and arbitration proceedings</li> <li>• Material contracts</li> <li>• Documents on display (including memorandum and articles of association)</li> </ul>	<p>Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin)</p> <p>Approved by BaFin on 5 July 2005</p>
2.	<p><u>Supplemental Registration Document of Deutsche Bank AG dated 29 July 2005</u> Containing certain information concerning the Issuer as required by Regulation 2003/71/EC:</p> <ul style="list-style-type: none"> <li>- Interim Financial Statements of the Deutsche Bank group as of 30 June 2005</li> </ul>	<p>Approved by BaFin on 1 August 2005</p>
3.	<p><u>2nd Supplemental Registration Document of Deutsche Bank AG dated 31 October 2005</u> Containing certain information concerning the Issuer as required by Regulation 2003/71/EC:</p> <ul style="list-style-type: none"> <li>- Interim Financial Statements of the Deutsche Bank group as of 30 September 2005</li> </ul>	<p>Approved by BaFin on 8 November 2005</p>
4.	<p>Annual Report of Deutsche Bank AG dated March 2006 (published on <a href="http://www.db.com">www.db.com</a> (on web page <a href="http://www.deutsche-bank.de/ir/en/index.html">http://www.deutsche-bank.de/ir/en/index.html</a>))</p>	
	<p><i>[Insert any other document incorporated by reference in relation to individual securities issued under the Base</i></p>	

	<i>Prospectus [●]], excluding documents that should be in the Registration Document</i>	
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The following information is set forth in the Registration Document.

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STATUTORY AUDITORS	3
RISK FACTORS	3 – 4
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The information contained under the items “FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES” above are replaced by the Annual Report for 2005 (Item 4 in the table above). In particular, the following details required by Annex XI, point 11.1 of the Commission Regulation (EC) No 809/2004 are found on the following pages of the Annual Report:

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Information contained in the documents incorporated by reference but not mentioned in the cross-reference list above is provided for information purposes only.

There has been no material adverse change in the prospects of the Issuer which has occurred since 31 December 2005.

There has been no significant change in the financial position of the group which has occurred since 31 December 2005.

Information on legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during the previous 12 months which may have, or have had in the recent past, significant effects on the Issuer and/or group's financial position or profitability can be found in the Registration Document, Supplemental Registration Documents and 2005 Annual Report referred to above. Apart from the aforesaid, there is no other legal or arbitration proceedings during the previous 12 months (up to the date hereof) which may have, or have had in the recent past, significant effects on the Issuer and/or group's financial position or profitability.

**[Insert for Unitary Prospectus:** The following documents shall be incorporated in, and form part of, the Prospectus:

	<b>Document</b>	<b>Approved by:</b>
	Base Prospectus dated 5 May 2006 for [Butterfly] [Twin Win] [•] Certificates (the " <b>Base Prospectus</b> ")	Approved by the <i>Commission de Surveillance du Secteur Financier</i> on 5 May 2006

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## FORM OF DOCUMENT

### PUBLICATION

This document constitutes [a] [completed version of a][Summary of a] [base prospectus (the “**Base Prospectus**”)] [final terms (“**Final Terms**”)] according to Art. 5 (IV) of the Prospectus Directive (Directive 2003/71/EC), as implemented by the relevant provisions of the EU member states, in connection with Regulation 809/2004 of the European Commission. As such, the Base Prospectus does not contain information which was not yet known at the time the Base Prospectus has been approved and which can only be determined at the time of the individual issue of securities under the Base Prospectus (“**Final Terms**”).

For each issue of securities under the Base Prospectus, the Final Terms are presented as part of a separate document which repeats the information items contained in this Prospectus, filled out and amended by the relevant Final Terms. Such amendments are made in places where the Base Prospectus contains blanks for Final Terms or otherwise.

The Final Terms also contain a completed version of the Summary contained in the Base Prospectus, presenting only the information relevant for the respective Securities.

This document is available, and has been published, in English. In addition, the Base Prospectus and [the] [these] Final Terms, or the Summary and possibly other parts of both documents, may also have been published in other languages. Investors who wish to receive information in languages other than English should not only study the document containing a translation of the Summary of the Base Prospectus (and, where applicable, other parts of the Base Prospectus), but also refer to the translation of the Summary in the relevant Final Terms (and where applicable, other parts of the Final Terms).

The Base Prospectus has been published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)), as well as on the Issuer’s website ([www.x-markets.db.com](http://www.x-markets.db.com).) together with any translations thereof, or of the Summary thereto. In addition, the Base Prospectus and any documents incorporated by reference shall be available at the registered office of the Issuer and in Luxembourg at the Issuer’s [insert as applicable: [branch office, Deutsche Bank Luxembourg Branch, 2, Boulevard Konrad Adenauer, L–1115 Luxembourg] [agent in Luxembourg, Banque de Luxembourg, at 14, boulevard Royal, L–2449, Luxembourg]].

All Final Terms, together with any translations thereof, or of the Summary as amended by the relevant Final Terms, are published on the Issuer’s website ([www.x-markets.db.com](http://www.x-markets.db.com)). [The Final Terms are also published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).] These documents are also available at the registered office of the Issuer, and at an agent of the Issuer in Luxembourg.

The annual reports and accompanying auditors’ reports for 2004 and 2005 shall also be produced on the Issuer’s web-site ([www.db.com](http://www.db.com)), and the interim reports (included in the Supplements incorporated into this document by reference) shall similarly be produced on the Issuer’s web-site when they become available. The annual reports and accompanying auditors’ reports for 2003 and 2004 and the interim report of the first quarter 2005 are also included in the Registration Document of Deutsche Bank AG and the interim reports for the second and third quarters of 2005 are included in

the Supplements to the Registration Document, all of which are, together with the annual report for 2005, [incorporated by reference into the Base Prospectus which in turn is] (i) incorporated by reference into this Prospectus and (ii) published on the web-site of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

The Issuer does not intend to provide any post-issuance information in relation to any assets underlying issues of securities under this programme.

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## **SUMMARY**

*The information set out below is a summary only and should be read in conjunction with the rest of this document. This summary is intended to convey the essential characteristics and risks associated with the Issuer, and in relation to the Securities and does not purport to be complete. It is taken from, and is qualified in its entirety by, the remainder of this Prospectus. Accordingly, this summary should be read as an introduction to the document, and any decision to invest in the Securities should be based on consideration of the Prospectus as a whole by the investor.*

*Prospective investors should be aware that where a claim relating to the information contained in this document is brought before a court, the investor making the claim might, under the national legislation of the respective EU member state, have to bear the costs of translating the prospectus before the legal proceedings are initiated.*

*Civil liability attaches to the Issuer who has tabled the summary including the translation thereof and applied for its notification, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this document.*

*This Summary contains:*

*Summary of Risk Factors*

*Summary of Economic Description*

*Summary of Final Terms of the Offer*

*Summary of Issuer Description*

## SUMMARY OF RISK FACTORS

### Risk Factors

#### Issuer Risk Factors

Prospective investors should consider all information provided in the Registration Document and consult with their own professional advisers if they consider it necessary. The following describes risk factors relating to the issuer's ability to meet its obligations under the securities.

#### Ratings

Ratings assigned to the issuer by certain independent rating agencies are an indicator of the issuer's ability to meet its obligations in a timely manner. The lower the assigned rating is on the respective scale the higher the respective rating agency assesses the risk that obligations will not be met at all or not be met in a timely manner. As of the publication date of this summary, the following ratings were assigned to Deutsche Bank:

Rating Agency	Long-term	Short-term
Standard & Poors (S&P)	AA-	A-1+
Moodys	Aa3	P-1
Fitch	AA-	F1+

Rating agencies may change their ratings at short notice. A rating's change may reflect the price of securities outstanding.

#### Rating of Subordinated Obligations

If Deutsche Bank enters into subordinated obligations these obligations may be rated lower. Deutsche Bank will disclose such ratings of subordinated obligations (if any).

### Risks relating to the Securities

An investment in the Securities involves risks. These risks may include, among others, equity market, bond market, foreign exchange, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Prospective purchasers should be experienced with respect to transactions in instruments such as the Securities and in the underlying asset or other basis of reference for the Securities (the "**Underlying**"). Prospective purchasers should understand the risks associated with an investment in the Securities and should only reach an investment decision after careful consideration, with their legal, tax, accounting and other advisers, of (i) the suitability of an investment in the Securities in the light of their own particular financial, tax and other circumstances; (ii) the information set out in this document and (iii) the Underlying.

The Securities may decline in value and investors should be prepared to sustain a total loss of their investment in the Securities. The shorter the remaining term of the Securities, the higher the risk of decline in value of the Securities.

An investment in the Securities should only be made after assessing the direction, timing and magnitude of potential future changes in the value of the Underlying, and/or the in the composition or method of calculation of the Underlying, as the return of any such investment will be dependent, inter alia, upon such changes. More than one risk factor may have simultaneous effect with regard to the Securities such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Securities.

*[Add additional product specific risk factors, if necessary]*

## SUMMARY OF ECONOMIC DESCRIPTION

## Single Underlying linked [Twin Win] [Butterfly] [•] Certificates

The Securities represent an investment similar to a direct investment in the Underlying. *[Insert, if the Upside participation factor is above 100%:* However, in contrast to a direct investment in the Underlying, the Securities offer the possibility of increased returns by a disproportionate participation where the value or average value of the Underlying moves upwards above a specified determination level. Even if the value or average value of the Underlying decreases to a certain extent below its value at the issuance of the securities, the securities provide for *[insert if the Issue Price is protected:* at least the payment of the issue price.*][insert, if the Issue Price is protected and additional participation is provided:* a positive return.]

For these features, however, investors forgo the right to receive any dividends, interest or similar amounts paid in respect of the Underlying. *[Insert, if the Securities are Butterfly Certificates and a maximum amount is applicable:* Furthermore, investors forgo the opportunity to participate in any increase of the Underlying above the maximum amount.]

*[Add additional product specific information, if necessary]*

## SUMMARY OF FINAL TERMS OF THE OFFER

*This section is a brief overview of the Product Conditions [and “Information Relating to the Underlying”] as set out subsequently. It is not a complete description of the Securities and should be read in conjunction with, and is subject to, the Product Conditions, the General Conditions and all other sections of this document*

<b>Issuer:</b>	Deutsche Bank AG, Frankfurt am Main[, acting through its London branch (Deutsche Bank AG London)]
<b>[Number] [Nominal Amount] of Certificates:</b>	[•] The actual amount of Securities issued will correspond to the sum of all valid subscriptions or orders received by the Issuer.
<b>Issue Price:</b>	[•] [The Issue Price will firstly be determined on the Issue Date and then be reset continuously.]
<b>Underlying:</b>	[Shares] [Index] [Other Securities] [Fund Shares] [Commodities] [Foreign Exchange Rate] [Futures] [Basket consistent of [ <i>details of Basket</i> ]]
<b>Offer Price:</b>	[Currency] [Amount]
<b>Issue Date:</b>	[•]
<b>[Primary Market End Date:]</b>	[•]
<b>[Initial Reference Valuation Date:]</b>	[•]
<b>[Initial Reference Level:]</b>	[Currency] [Amount]
<b>[Determination Level:]</b>	[•]
<b>[Final Reference Level:]</b>	[•]
<b>[Exercise Price:]</b>	[Currency] [Amount]
<b>[Multiplier:]</b>	[•]
<b>Exercise Date :</b>	[•]
<b>Settlement:</b>	Cash Settlement
<b>Automatic Exercise:</b>	Applicable
<b>[Settlement Date(s):]</b>	[•]
<b>[Reference Currency]:</b>	[•]
<b>Settlement Currency:</b>	[Currency]
<b>Cash Settlement Amount:</b>	[•] per Security
<b>[Minimum [Return] Amount:]</b>	[Currency] [Amount]
<b>Minimum Trade Size</b>	[•]
<b>[Listing]</b>	[Application has been made to list the Securities on the [Luxembourg Stock Exchange and admitted to trading on the [regulated market of the Luxembourg Stock Exchange][Euro MTF market] [[regulated] [•] market of the [•] Stock Exchange][, which is a regulated market for the purposes of Directive 2003/71/EC]. <i>[insert all relevant regulated markets]</i>  [Insert if Securities are to be listed on regulated market: Trading is expected to commence on [•]]  [The Securities are listed on the [regulated] [•] market of the [Luxembourg] [•] Stock Exchange, which is a regulated market for

the purposes of Directive 2003/71/EC *[insert all relevant regulated markets]*

[No application has been made to list the Securities on the regulated market of a stock exchange within the meaning of the European Directive 2003/71/EC.]

**Calculation Agent:** The Issuer shall act as the Calculation Agent

**Principal Agent:** [Deutsche Bank AG [London]] [●]

**[ISIN]** [●]

**[WKN]** [●]

**[Common Code]** [●]

**[Valoren]** [●]

**[●]<sup>1</sup>** [●]

**[Investor minimum subscription amount:]**

**[Investor maximum subscription amount:]**

### **Post-issuance Information**

The Issuer does not intend to provide any post-issuance information in relation to any assets underlying issues of securities under this programme.

### **[The Subscription Period] [The Offering Period]**

[Applications to subscribe for the Securities may be made from [●] until the Primary Market End Date as described in Country Specific Information, 2.] [The offer of the Securities starts on [●].] [●]. The Issuer reserves the right for any reason to reduce the number of Securities offered.]

### **[Cancellation of the Issuance of the Securities]**

[The issuer reserves the right for any reason to cancel the issuance of the Securities.]  
[In Particular, the issuance of the Securities is conditional, amongst other matters, on the Issuer receiving valid subscriptions for Securities amounting to an aggregate subscription value of at least [●] on or prior to the Primary Market End Date. In the event that this condition is not satisfied, the Issuer may cancel the issuance of the Securities as of the Primary Market End Date.]

### **[Early Closing of the Subscription of the Securities]**

In accordance with the section titled "Country Specific Information", paragraph 2, the Issuer reserves the right for any reason to close the subscription period early. [If the aggregate subscription of the Securities at any time on any Business Day prior to the Primary Market End Date reaches [●], the Issuer will close the subscription of the Securities at such time on such Business Day, without any prior notification.]]

### **[Additional product specific information]**

#### **[e. g. on Underlying, if complex]**

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<sup>1</sup> Complete summary overview with relevant definitions depending on the Security

## SUMMARY OF ISSUER DESCRIPTION

### History and Development of the Bank

Deutsche Bank Aktiengesellschaft originated from the reunification of Norddeutsche Bank Aktiengesellschaft, Hamburg, Rheinisch-Westfälische Bank Aktiengesellschaft, Düsseldorf and Süddeutsche Bank Aktiengesellschaft, Munich; pursuant to the Law on the Regional Scope of Credit Institutions, these had been disincorporated in 1952 from Deutsche Bank which was founded in 1870. The merger and the name were entered in the Commercial Register of the District Court Frankfurt am Main on 2 May 1957. Deutsche Bank is a banking institution and a stock corporation incorporated under the laws of Germany under registration number HRB 30 000. The Bank has its registered office in Frankfurt am Main, Germany. It maintains its head office at Taunusanlage 12, 60325 Frankfurt am Main (telephone: +49-69-910-00) and branch offices in Germany and abroad including in London, New York, Sydney, Tokyo and an Asia-Pacific Head Office in Singapore which serve as hubs for its operations in the respective regions.

Deutsche Bank is the parent company of a group consisting of banks, capital market companies, fund management companies, a property finance company, instalment financing companies, research and consultancy companies and other domestic and foreign companies (the "**Deutsche Bank Group**").

The objects of Deutsche Bank, as laid down in its Articles of Association, include the transaction of all kinds of banking business, the provision of financial and other services and the promotion of international economic relations. The Bank may realise these objectives itself or through subsidiaries and affiliated companies. To the extent permitted by law, the Bank is entitled to transact all business and to take all steps which appear likely to promote the objectives of the Bank, in particular: to acquire and dispose of real estate, to establish branches at home and abroad, to acquire, administer and dispose of participations in other enterprises, and to conclude enterprise agreements.

Deutsche Bank operates through three group divisions:

The **Corporate and Investment Bank (CIB)** comprises the following businesses:

**Global Markets** comprises all origination, sales, trading and research in securities.

**Global Banking** handles all financial requirements of companies including loans, M&A advisory services, trade and export finance and cash management services.

**Private Clients and Asset Management (PCAM)** comprises the following businesses:

**Private & Business Clients** serves private and business clients in seven countries in Europe and provides them with comprehensive and integrated financial solutions both for their private and business requirements.

**Private Wealth Management** pursues an integrated holistic business model to cater for the complex needs of high net worth clients, their families and selected institutions.

**Asset Management** combines asset management for institutional clients and private investors. It offers products in equities, bonds and real estate.

Corporate Investments (CI).

### **Selected Financial Information**

As of 31 December 2005, the issued share capital of Deutsche Bank amounted to Euro 1,419,610,291.20 consisting of 554,535,270 ordinary shares without par values. The shares are fully paid up and in registered form. They are listed on all German stock exchanges as



well as on the Stock Exchanges in Amsterdam, Brussels, London, Luxembourg, New York, Paris, Tokyo, Vienna and Zurich.

## **RISK FACTORS**

## A. PRODUCT SPECIFIC RISK FACTORS

## Single Underlying linked [Twin Win] [Butterfly] [•] Certificates

The discussion below is intended to describe various risk factors associated with an investment in the certificates (the **Securities**). No investment should be made in the Securities until after careful consideration of all those factors which are relevant in relation to the Securities. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Securities, but the Issuer does not represent that the statements below regarding risks of holding the Securities are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this document and reach their own views prior to making any investment decision.

Prospective investors should also consider carefully the description of the Underlying (as defined below) in the sections "Product Conditions" and "Information relating to the Underlying" and the further information which is available in relation to the Underlying (which may include additional risk factors).

### Introduction

An investment in the Securities involves risks. These risks may include, among others, equity market, bond market, foreign exchange, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Some of these are briefly discussed below. Prospective purchasers should be experienced with respect to transactions in instruments such as the Securities and in the underlying asset(s) or other basis of reference for the Securities (the "**Underlying**"). Prospective purchasers should understand the risks associated with an investment in the Securities and should only reach an investment decision after careful consideration, with their legal, tax, accounting and other advisers, of (i) the suitability of an investment in the Securities in the light of their own particular financial, tax and other circumstances, (ii) the information set out in this document and (iii) the Underlying.

The Securities may decline in value and investors should be prepared to sustain a total loss of their investment in the Securities. The shorter the remaining term of the Securities is, the higher the risk of decline in value of the Securities.

An investment in the Securities should only be made after assessing the direction, timing and magnitude of potential future changes in the value of the Underlying and/or in the composition or method of calculation of the Underlying, as the case may be, as the return of any such investment will be dependent, inter alia, upon such changes. More than one risk factor may have simultaneous effect with regard to the Securities such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Securities.

Further Risk Factors are set out under the headings (B) General Risk Factors relating to the Securities and (C) Market Factors. In addition prospective investors should also review the section headed "Conflicts of Interest".

## **Rights under the Securities**

The [Twin Win] [Butterfly] [•] Certificates (the “**Securities**”) represent the right to receive payment of a cash amount at settlement. The cash amount payable at settlement will vary according to the value or average value of an underlying asset or other basis of reference (the “**Underlying**”) on one or more specified final valuation day(s) and, on each relevant day during a specified period, as described below in scenarios (A), (B) and (C). *[If the Securities are Butterfly Certificates and a maximum Cash Settlement Amount is specified, insert:* In any case the cash amount payable at settlement is limited to the specified maximum amount.]

### Scenario A:

If the value or average value of the Underlying on the final valuation day(s) is above a specified determination level, the cash amount payable at settlement, will be equal to *[If the Securities have a leveraged upside insert:* a disproportionate participation in] the value or average value of the Underlying on the final valuation day(s) *[ If the Securities are Butterfly Certificates and a maximum Cash Settlement Amount is specified, insert:* but limited to the maximum amount.]

### Scenario B:

If the value or average value of the Underlying on the final valuation day(s) is equal to or less than the determination level and if the value or average value of the Underlying has not been equal to or less than the lower barrier level on any trading day during a specified period, the cash amount payable at settlement will be equal to the sum of such value or average value of the Underlying on the final valuation date(s) and a specified downside differential amount. The downside differential amount will be *[twice]* [•] the difference of the determination level and the value or average value of the Underlying on the final valuation day(s).

### Scenario C:

If the value or average value of the Underlying on the final valuation day(s) is equal to or less than the determination level and if the value or average value of the Underlying has been equal to or less than the lower barrier level on any trading day during the specified period, the cash amount payable at settlement will be equal to such value or average value of the Underlying on the final valuation day(s).

*[ If the Securities are Butterfly Certificates and a maximum Cash Settlement Amount is specified, insert:* In any case the cash amount payable at settlement will be limited to the maximum amount].

In each case, the cash amount payable at settlement is subject to deduction of certain taxes, duties and/or expenses.]

The Underlying is [please insert: index, share, other security, fund share, commodity, currency amount or future].

**Prospective investors should note that the return (if any) on their investment in the Securities will depend on the value or average value of the Underlying on the specified final valuation day(s) and on each relevant day during the specified period. In the worst-case scenario, if the final value of the Underlying is less than or equal to the specified determination level and has been equal to the lower barrier level during the specified period, investors that have bought the Securities at their issue date and hold them for their entire term will suffer a loss on their investment. Investors will lose their investment altogether if the value or average value, as applicable, of the Underlying on the specified final valuation day(s) is zero. Accordingly, an investment in the Securities involves a number of risks which may include, without limitation, a similar market risk to a direct investment in the Underlying and investors should take advice accordingly.]**

Further Risk Factors are set out under the headings (B) General Risk Factors relating to the Securities and (C) Market Factors. In addition prospective investors should also review the section headed "Material Interests/Conflicts of Interest".

## **B. GENERAL RISK FACTORS RELATING TO THE SECURITIES**

### **1. No payments until settlement**

Prospective investors should note that no periodic interest payments or other distributions will be made during the term of the Securities. A realisation in the secondary market of the Securities may be the only return potentially available to the investor prior to settlement of the Securities. However, investors should note the risk factors described under the headings "Market value" and "The Securities may be Illiquid" below in this regard.

### **2. Early termination for extraordinary reasons, illegality and force majeure**

If the Issuer determines that, for reasons beyond its control, the performance of its obligations under the Securities has become illegal or impractical in whole or in part for any reason, or the Issuer determines that, for reasons beyond its control, it is no longer legal or practical for it to maintain its hedging arrangements with respect to the Securities for any reason, the Issuer may at its discretion and without obligation terminate early the Securities. If the Issuer terminates early the Securities, the Issuer will, if and to the extent permitted by applicable law, pay the holder of each such Security an amount determined by the calculation agent to be its fair market value notwithstanding the illegality or impracticality less the cost to the Issuer of unwinding any underlying related hedging arrangements.

### **3. Market disruption events, adjustments and early termination of the Securities**

If so indicated in the Conditions, the calculation agent may determine that a market disruption event has occurred or exists at a relevant time. Any such determination may delay valuation in respect of the Underlying which may have an effect on the value of the Securities and/or may delay settlement in respect of the Securities.

In addition, if so indicated in the Conditions, the calculation agent may make adjustments to the Conditions to account for relevant adjustments or events in relation to the Underlying including, but not limited to, determining a successor to the Underlying or its issuer or its sponsor, as the case may be. In addition, in certain circumstances, the Issuer may terminate early the Securities following any such event. In this case, in relation to each Security, the Issuer will pay an amount, if any, determined as provided in the Conditions.

Prospective purchasers should review the Conditions to ascertain whether and how such provisions apply to the Securities and what constitutes a market disruption event or relevant adjustment event.

### **4. Taxation**

Potential purchasers and sellers of the Securities should be aware that they may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Securities are transferred.

Securityholders are subject to the provisions of General Condition 6 and payment and/or delivery of any amount due in respect of the Securities will be conditional upon the payment of certain taxes, duties and/or expenses as provided in the Product Conditions.

Potential purchasers who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, potential purchasers should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

## **5. Time lag after exercise**

Where the Securities are to be settled by a cash payment, then, upon their exercise, there may be a time lag between the time exercise occurs and the time the applicable cash amount relating to such exercise is determined. Any such delay between the time of exercise and the determination of the cash amount will be specified in the Conditions. However, such delay could be significantly longer, particularly in the case of a delay in exercise of such cash settled Securities arising from, as described below, any daily maximum exercise limitation or, as described below, upon the determination by the calculation agent that a market disruption event has occurred at any relevant time. The applicable cash amount could decrease or increase from what it would have been but for such delay.

Prospective purchasers should review the Conditions to ascertain whether and how such provisions apply to the Securities.

## **6. Re-offer Price**

The Issuer may enter into distribution agreements with various financial institutions and other intermediaries as determined by the Issuer (collectively the “**Selling Agents**”). The Selling Agents will agree, subject to the satisfaction of certain conditions, to subscribe for the Securities at a price equivalent to or below the Issue Price. The Selling Agents have agreed to bear certain costs in connection with the issue of the Securities. A periodic fee may be payable to the Selling Agents in respect of all outstanding Securities up to and including the Expiry Date at a rate as determined by the Issuer. Such rate may vary from time to time. The Selling Agents will agree to comply with the selling restrictions set out in the Prospectus as amended and supplemented by the additional selling restrictions set out in the relevant distribution agreements and final terms of the prospectus.

The Issuer has the right to close the offering of the Securities prior to the end of the subscription period in case of adverse market conditions, as determined by the Issuer in its reasonable discretion, including but not limited to increased equity market volatility and increased currency exchange rate volatility.

[

## **7. Additional Product Specific Risk Factors**



**CONSIDERATION OF INCLUSION OF ADDITIONAL RISK FACTORS DUE TO PARTICULAR NATURE OF UNDERLYING OR TERMS OF THE SECURITIES]**

**8. Risk Factors relating to the Underlying**

*[Insert if the underlying is or contains hedge funds:]*

The Underlying reflects the performance of certain selected funds, all of which are "Hedge Funds".

A Hedge Fund may trade and invest in a broad range of investment interests such as debt and equity securities, commodities, and foreign exchange and may enter into derivative transactions, including without limitation futures and options. A Hedge Fund may often be illiquid and may only be traded on a monthly, quarterly or even less frequent basis. For all these reasons and those described below, investing directly or indirectly in Hedge Funds is generally considered to be risky. If the Index Constituents do not perform the value of the Index will fall and may fall to zero.

The Hedge Funds reflected in the Basket from time to time and their Hedge Fund Trading advisors, as well as the markets and instruments in which they invest, may not be subject to extensive review by governmental authorities, self-regulatory organisations or other supervisory authorities.

The following is a non-exhaustive list of the risks associated with investing in Hedge Funds:

**a. Investment Manager**

The performance of a hedge fund will depend on the performance of the investments selected by key individuals associated with the day-to-day operations of the investment manager (the "**Investment Manager**") of the relevant hedge fund and upon the expertise of such key individuals. Any withdrawal or other cessation of investment activities on behalf of the Investment Manager by any of these individuals could result in losses and/or the termination or the dissolution of the relevant hedge fund. The investment strategy, investment restrictions and investment objectives of a hedge fund give its Investment Manager considerable discretion to invest the assets thereof and there can be no guarantee that the Investment Manager's investment decisions will be profitable or will effectively hedge against the risk of market or other conditions causing the value of the relevant hedge fund to decline.

An Investment Manager may receive performance related fees, which may be substantial. The manner of calculating such fees may create an incentive for the Investment Manager to make investments that are riskier or more speculative than would be the case if such fees were not paid to the Investment Manager. In addition, since the performance fees may be calculated on a basis that includes both unrealised and realised gains on the relevant hedge fund's assets, such fees may be greater than if they were based solely on realised gains. If a hedge fund does not perform or does not perform sufficiently to cover the fees, the value of the relevant hedge fund will fall and may fall to zero.

**b. Lack of segregation of assets**

A prime broker may be, or may have been, appointed in relation to a hedge fund and will accordingly be responsible for custody, clearing, financing and reporting services with respect to the securities transactions entered into by the relevant Investment Manager. Where investments by a hedge fund are classified by the relevant prime broker as collateral, they may not be segregated by such prime broker from its own investments. As a result, such investments may be available to the creditors of such prime broker in the event of its insolvency and the relevant hedge fund may lose some or all of its interest in such investments.

**c. Hedging risks**

An Investment Manager may utilise warrants, futures, forward contracts, swaps, options and other derivative instruments involving securities, currencies, interest rates, commodities and other asset categories (and combinations of the foregoing) for the purposes of establishing "market neutral" arbitrage positions as part of its trading strategies and to hedge against movements in the capital markets. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the values of portfolio positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the portfolio positions' value. Such hedging transactions may also limit the opportunity for gain if the value of the portfolio position should increase. Moreover, it may not always be possible for the Investment Manager to execute hedging transactions, or to do so at prices, rates or levels advantageous to the hedge fund. The success of any hedging transactions will be subject to the movements in the direction of securities prices and currency and interest rates, and stability or predictability of pricing relationships. Therefore, while a hedge fund might enter into such transactions to reduce currency exchange rate and interest rate risks, unanticipated changes in currency or interest rates may result in poorer overall performance for the hedge fund than if it had not engaged in any such hedging transactions. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio position being hedged may vary. Moreover, for a variety of reasons, the Investment Manager may not be able to, or may not seek to, establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. An imperfect correlation may prevent a hedge fund from achieving the intended hedge or expose a hedge fund to risk of loss.

**d. Leverage**

Hedge funds may be able to borrow (or employ leverage) without limitation and may utilise various lines of credit and other forms of leverage, including swaps and repurchase agreements. While leverage presents opportunities for increasing a hedge fund's total return, it has the effect of potentially increasing losses as well. If income and appreciation on investments made with borrowed funds are less than the required interest payments on the borrowings, the value of the hedge fund will decrease. Additionally, any event which adversely affects the value of an investment by a hedge fund would be magnified to the extent such hedge fund is leveraged. The cumulative effect of the use of leverage by a hedge fund in a market that moves adversely to such hedge fund's investments could result in a substantial loss to the hedge fund that would be greater than if the hedge fund were not leveraged. Furthermore, any use by the hedge fund of swaps and other derivatives to gain exposure to certain investments may/will

leverage the hedge fund's assets, and subject it to the risks described above.

**e. Risks associated with the use of margin borrowings**

An Investment Manager's anticipated use of short-term margin borrowings will result in certain additional risks to the relevant hedge fund. For example, if securities pledged to brokers to secure a hedge fund's margin accounts decline in value, such hedge fund could be subject to a "margin call", pursuant to which it must either deposit additional funds with the broker or be the subject of mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden drop in the value of the hedge fund's assets, the Investment Manager might not be able to liquidate assets quickly enough to pay off the margin debt. In such a case, the relevant prime broker may liquidate additional assets of the hedge fund, in its sole discretion, in order to satisfy such margin debt. The premiums for certain options traded on non-US exchanges may be paid for on margin. If the Investment Manager sells an option on a futures contract, it may be required to deposit margin in an amount equal to the margin requirement established for the futures contract underlying the option and, in addition, an amount substantially equal to the premium for the option. The margin requirements imposed on the writing of options, although adjusted to reflect the probability that out-of-the-money options will not be exercised, can in fact be higher than those imposed in dealing in the futures markets directly. Whether any margin deposit will be required for over-the-counter options will depend on the agreement of the parties to the transaction.

**f. Low credit quality securities**

Hedge funds may make particularly risky investments that also may offer the potential for correspondingly high returns. As a result, a hedge fund may lose all or substantially all of its investment in any particular instance. In addition, there is no minimum credit standard which is a prerequisite to a hedge fund's investment in any security. The debt securities in which a hedge fund is permitted to invest may be rated lower than investment grade and hence may be considered to be "junk bonds" or distressed securities.

**g. Distressed securities**

Hedge funds may invest in securities of US and non-US issuers in weak financial condition, experiencing poor operating results, having substantial capital needs or negative net worth, facing special competitive or product obsolescence problems, or that are involved in bankruptcy or reorganisation proceedings. Investments of this type may involve substantial financial and business risks that can result in substantial or, at times, even total losses. Among the risks inherent in investments in troubled entities is that it frequently may be difficult to obtain information as to the true condition of such issuers. Such investments also may be adversely affected by laws relating to, among other things, fraudulent transfers and other voidable transfers or payments, lender liability and a court's power to disallow, reduce, subordinate or disenfranchise particular claims. The market prices of such securities are also subject to abrupt and erratic market movements and above-average price volatility, and the spread between the bid and asked prices of such securities may be greater than those prevailing in other securities markets. It may take a number of years for the market price of such securities to reflect their intrinsic value. In corporate reorganisations, there exists the risk that it will not be possible to effect the reorganisation (due to, for example, failure to obtain requisite approvals) and in liquidations (both in and out of bankruptcy) and reorganisations there exists the risk that the liquidation or reorganisation will be

delayed (for example, until various liabilities, actual or contingent, have been satisfied) or will result in a distribution to the hedge fund of cash or a new security the value of which will be less than the purchase price of the security in respect of which such distribution was made.

#### **h. Derivatives**

Hedge funds may invest in complex derivative instruments which seek to modify or replicate the investment performance of particular securities, commodities, currencies, interest rates, indices or markets on a leveraged or unleveraged basis. These instruments generally have counterparty risk and may not perform in the manner expected, thereby resulting in greater loss or gain to the hedge fund. These investments are all subject to additional risks that can result in a loss of all or part of an investment, in particular, interest rate and credit risk, volatility, world and local market price and demand, and general economic factors and activity. Derivatives may have very high leverage embedded in them that can substantially magnify market movements and result in magnified losses. Hedge funds may also buy or sell options on a variety of underlying assets. The risk of writing (selling) options is unlimited in that the writer of the option must purchase (in the case of a put) or sell (in the case of a call) the underlying security at a certain price upon exercise. There is no limit on the price a hedge fund may have to pay to meet its obligations as an option writer. As assets that can have no value at their expiration, options can introduce a significant additional element of leverage and risk to a hedge fund's market exposure. The use of certain options strategies can subject a hedge fund to investment losses that are significant even in the context of positions for which the relevant Investment Manager has correctly anticipated the direction of market prices or price relationships.

#### **i. Special risks associated with trading in over-the-counter derivatives**

Some of the markets in which a hedge fund may effect derivative transactions are "over-the-counter" or "interdealer" markets, which may be illiquid and are sometimes subject to larger spreads than exchange-traded derivative transactions. The participants in such markets are typically not subject to credit evaluation and regulatory oversight, which would be the case with members of "exchange-based" markets. This exposes the hedge fund to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a credit or liquidity problem with the counterparty. Delays in settlement may also result from disputes over the terms of the contract (whether or not bona fide) since such markets may lack the established rules and procedures for swift settlement of disputes among market participants found in "exchange-based" markets. These factors may cause a hedge fund to suffer a loss due to adverse market movements while replacement transactions are executed or otherwise. Such "counterparty risk" is present in all swaps, and is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the hedge fund has concentrated its transactions with a single or small group of counterparties. A hedge fund generally is not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. In addition, if an Investment Manager engages in such over-the-counter transactions, the relevant hedge fund will be exposed to the risk that the counterparty (usually the relevant prime broker) will fail to perform its obligations under the transaction. The valuation of over-the-counter derivative transactions is also subject to greater uncertainty and variation than that of exchange-traded derivatives. The "replacement" value of a derivative transaction may differ from the "liquidation" value of such transaction,

and the valuations provided by a hedge fund's counterparty to such transactions may differ from the valuations provided by a third party or the value upon liquidation of the transaction. Under certain circumstances it may not be possible for a hedge fund to obtain market quotations for the value of an over-the-counter derivatives transaction. A hedge fund may also be unable to close out or enter into an offsetting over-the-counter derivative transaction at a time it desires to do so, resulting in significant losses. In particular, the closing-out of an over-the-counter derivative transaction may usually only be effected with the consent of the counterparty to the transaction. If such consent is not obtained, a hedge fund will not be able to close out its obligations and may suffer losses.

**j. Illiquid investments**

Hedge funds may make investments which are subject to legal or other restrictions on transfer or for which no liquid market exists, such as private placements. The market prices, if any, of such investments tend to be more volatile and it may be impossible to sell such investments when desired or to realise their fair value in the event of a sale. Moreover, securities in which a hedge fund may invest include those that are not listed on a stock exchange or traded in an over-the-counter market. As a result of the absence of a public trading market for these securities, they are likely to be less liquid than publicly traded securities. There may be substantial delays in attempting to sell non-publicly traded securities. Although these securities may be resold in privately negotiated transactions, the prices realised from these sales could be less than those originally paid. Furthermore, companies whose securities are not registered or publicly traded are not subject to the disclosure and other investor protection requirements which would be applicable if their securities were registered or publicly traded. In addition, futures positions may become illiquid because, for example, most US commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". Under such daily limits, no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. Futures contract prices in various commodities occasionally have exceeded the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent an Investment Manager from promptly liquidating unfavourable positions and subject the relevant hedge fund to substantial losses. In addition, an exchange or regulatory authority may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract, or order that trading in a particular contract be conducted for liquidation only. The illiquidity of positions may result in significant unanticipated losses.

**k. Legal and regulatory risks**

Legal and regulatory changes could adversely affect a hedge fund. Regulation of investment vehicles, such as hedge funds and of many of the investments an Investment Manager is permitted to make on behalf of a hedge fund, is still evolving and therefore subject to change. In addition, many governmental agencies, self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future legal or regulatory change on a hedge fund is impossible to predict, but could be substantial and adverse.

## **I. Short-selling**

A short sale involves the sale of a security that a hedge fund does not own in the hope of purchasing the same security (or a security exchangeable therefor) at a later date at a lower price. To make delivery to the buyer, the hedge fund must borrow the security and is obligated to return the security to the lender, which is accomplished by a later purchase of the security. The hedge fund realises a profit or a loss as a result of a short sale if the price of the security decreases or increases respectively between the date of the short sale and the date on which the hedge fund covers its short position, i.e., purchases the security to replace the borrowed security. A short sale involves the theoretically unlimited risk of an increase in the market price of the security that would result in a theoretically unlimited loss.

## **m. Commodity Futures**

Commodity futures markets are highly volatile. Hedge funds investing in these commodity markets must be able to analyse correctly such markets, which are influenced by, among other things, changing supply and demand relationships, weather, governmental, agricultural, commercial and trade programmes and policies designed to influence commodity prices, world political and economic events, and changes in interest rates. Moreover, investments in futures and options contracts involve additional risks including, without limitation, leverage (margin is usually a percentage of the face value of the contract and exposure can be nearly unlimited). A Hedge Fund's futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent a Hedge Fund from promptly liquidating unfavourable positions and subject it to substantial losses.

## **n. Hedge fund compensation**

A Hedge Fund typically provides for a performance fee or allocation, over and above a basic advisory fee, to its general partner, Investment Manager or person serving in an equivalent capacity. Performance fees or allocations could create an incentive for an Investment Manager to choose riskier or more speculative underlying investments than would otherwise be the case.

## **o. "Soft Dollar" payments**

In selecting brokers, banks and dealers to effect transactions on behalf a hedge fund, an Investment Manager may consider such factors as price, the ability of the brokers, banks and dealers to effect transactions promptly and reliably, their facilities, the operational efficiency with which transactions are effected, their financial strength, integrity and stability and the competitiveness of commission rates in comparison with other brokers, banks and dealers, as well as the quality, comprehensiveness and frequency of any products or services provided, or expenses paid, by such brokers, banks and dealers. Products and services may include research items used by the Investment Manager in making investment

decisions, and expenses so paid may include general overhead expenses of the Investment Manager. Such "soft dollar" benefits may cause a hedge fund manager to execute a transaction with a specific broker, bank, or dealer even though it may not offer the lowest transaction fees. An Investment Manager is not required to (i) obtain the lowest brokerage commission rates or (ii) combine or arrange orders to obtain the lowest brokerage commission rates on its brokerage business. If an Investment Manager determines that the amount of commissions charged by a broker is reasonable in relation to the value of the brokerage and research products or services provided by such broker, it may execute transactions for which such broker's commissions are greater than the commissions another broker might charge. Such brokerage commissions may be paid to brokers who execute transactions for the relevant managed account and which supply, pay for or rebate a portion of the hedge fund's brokerage commissions to the hedge fund for payment of the cost of property or services (such as research services, telephone lines, news and quotation equipment, computer facilities and publications) utilised by the relevant Investment Manager or its affiliates. An Investment Manager will have the option to use "soft dollars" generated by its investment activities to pay for the property and services described above. The term "soft dollars" refers to the receipt by an Investment Manager of property and services provided by brokers (or futures commission merchants in connection with futures transactions) without any cash payment by such Investment Manager based on the volume of revenues generated from brokerage commissions for transactions executed for clients of the Investment Manager. An Investment Manager will consider the amount and nature of research services provided by brokers, as well as the extent to which such services are relied upon, and will attempt to allocate a portion of the brokerage business of the relevant managed account on the basis of those considerations.

**p. Highly volatile markets**

The prices of commodities contracts and derivative instruments, including futures and options, are highly volatile. Price movements of forward contracts, futures contracts, and other derivative contracts in which hedge funds may invest are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of governments, and US and international political and economic events and policies. In addition, governments from time to time intervene, directly or indirectly and by regulation in certain markets, particularly those in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The level of interest rates generally and the rates at which a hedge fund can borrow, will affect its returns and therefore the value of the hedge fund. Hedge funds also are subject to the risk of the failure of any of the exchanges on which their positions trade or of their clearing houses.

**q. Investments in emerging or developing markets**

An Investment Manager may invest in securities of issuers that are not located in, or subject to regulation in, developed countries or securities which are not denominated in the currency of, or are not traded in, developed countries. Such investments involve certain special risks, including risks associated with political and economic uncertainty, adverse governmental policies, restrictions on foreign investment and currency convertibility, currency exchange rate fluctuations,

possible lower levels of disclosure and regulation, and uncertainties as to the status, interpretation and application of laws, including, but not limited to, those relating to expropriation, nationalisation and confiscation. Companies not located in developed countries are also not generally subject to uniform accounting, auditing and financial reporting standards, and auditing practices and requirements may not be comparable to those applicable to companies in developed countries. Further, securities not traded in developed countries tend to be less liquid and the prices of such securities more volatile. In addition, settlement of trades in some such markets may be much slower and more subject to failure than in markets in developed countries. An investment in emerging or developing countries could impose additional costs on the relevant managed account. Brokerage commissions generally are higher in emerging or developing countries and currency conversion costs could be incurred when an Investment Manager changes investments from one country to another. Increased custodian costs as well as administrative difficulties (such as the applicability of the laws of the jurisdictions of emerging or developing countries to custodians in such jurisdictions in various circumstances, including bankruptcy, ability to recover lost assets, expropriation, nationalisation and record access) may also arise from the maintenance of assets in such emerging or developing countries.

**r. Special risks associated with trading in forward contracts**

Hedge funds may engage in forward trading. Forward contracts, unlike futures contracts, are not traded on exchanges and are not standardised, rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and "cash" trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have been unable to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market traded by the hedge funds due to unusually high trading volume, political intervention or other factors. Market illiquidity or disruption could result in major losses to a hedge fund.

**s. Concentration of investments**

Although in general a hedge fund will aim to invest in diversified investments, the Investment Manager in respect of a hedge fund may invest such hedge fund's assets in a limited number of investments that may be concentrated in a few countries, industries, sectors of an economy or issuers. As a result, although investments by hedge funds should be diversified, the negative impact on the value of the relevant hedge fund from adverse movements in a particular country, economy or industry or in the value of the securities of a particular issuer could be considerably greater than if such hedge fund were not permitted to concentrate its investments to such an extent.

**t. Turnover**

Hedge funds may invest on the basis of certain short-term market considerations. As a result, the turnover rate within hedge funds is expected to be significant, potentially involving substantial brokerage commissions, fees and other



transaction costs.

**u. Operational and human error**

The success of a hedge fund depends in part upon the relevant Investment Manager's accurate calculation of price relationships, the communication of precise trading instructions and ongoing position evaluations. In addition, an Investment Manager's strategies may require active and ongoing management of durations and other variables, and dynamic adjustments to a hedge fund's positions. There is the possibility that, through human error, oversight or operational weaknesses, mistakes could occur in this process and lead to significant trading losses and an adverse effect on the relevant net asset value.

**v. Reliability of valuations**

Hedge funds are valued pursuant to the hedge fund's instrument governing such valuations. As a general matter, the governing instruments of hedge funds provide that any securities or investments which are illiquid, not traded on an exchange or in an established market or for which no value can be readily determined, will be assigned such fair value as the Investment Manager may determine in its judgement based on various factors. Such factors include, but are not limited to, aggregate dealer quotes or independent appraisals. Such valuations may not be indicative of what actual fair market value would be in an active, liquid or established market.

**w. Investment strategies**

Hedge Funds are a relatively heterogeneous asset class in which the managers may determine their strategies in their sole discretion. As a consequence there is no commonly accepted definition for the strategies employed by Hedge Funds. It can even be impossible to associate certain hedge funds with only one specific definition of a strategy. Furthermore there are various levels on which classifications can be made: any general strategy consists of various sub-strategies which may be very different from each other.]

*[Insert any risks relating to the Underlying if required.]*

**C. MARKET FACTORS**

**1. Market Factors**

*1.1 Valuation of the Underlying*

An investment in the Securities involves risk regarding the value of the Underlying. The value of the Underlying may vary over time and may increase or decrease by reference to a variety of factors which may include corporate actions, macroeconomic factors and speculation.

*1.2 The historical performance of the Underlying is not an indication of future performance*

The historical value (if any) of the Underlying does not indicate the future performance of the Underlying. Changes in the value of the Underlying will affect

the trading price of the Securities, but it is impossible to predict whether the value of the Underlying will rise or fall.

### *1.3 The basis of calculating the level of the Underlying may change over time*

The basis of calculating the level of the Underlying may from time to time be subject to change (as described in *Information relating to the Underlying*) which may affect the market value of the Securities at any time and therefore the cash amount payable on settlement.

**[If the Underlying is an index or otherwise calculated by reference to constituents insert:**

### *1.4 The value of the constituents of the Underlying will affect its value*

The value of the Underlying on any day will reflect the value of its constituents on such day. Changes in the composition of the Underlying and factors (including those described in these Risk Factors) which either affect or may affect the value of the constituents will affect the value of the Underlying and therefore may affect the return on an investment in the Securities. Fluctuations in the value of any one constituent may be offset or intensified by fluctuations in the value of other constituents. The historical value (if any) of the constituents does not indicate their future performance. Where the value of the constituents is determined in a different currency to the value of the Underlying, investors may be exposed to exchange rate risk.]

### *1.5 Exchange rate risk*

Prospective investors should be aware that an investment in the Securities may involve exchange rate risks. For example, the settlement currency of the Securities may be different from the currency of an investor's home jurisdiction or the currency in which an investor wishes to receive funds.

Exchange rates between currencies are determined by factors of supply and demand in the international currency markets which are influenced by macroeconomic factors, speculation and central bank and government intervention or other political factors (including the imposition of currency controls and restrictions). Fluctuations in exchange rates may affect the value of the Securities and any amounts payable in respect of the Securities.

### *1.6 Interest rate risk*

An investment in the Securities may involve interest rate risk where there are fluctuations in the interest rate payable on deposits in the settlement currency of the Securities. This may influence the market value of the Securities.

Interest rates are determined by factors of supply and demand in the international money markets which are influenced by macroeconomic factors, speculation and central bank and government intervention or other political factors. Fluctuations in short term and/or long term interest rates may affect the value of the Securities. **[Insert if applicable:** Since the Underlying [is/includes] a fixed income security, the value of the Securities is expected to be particularly affected by interest rate fluctuations.]

## 2. Market value

The market value of the Securities during their term can fall below the issue price of the Securities.

The market value of the Securities during their term depends primarily on the value and the volatility of the Underlying. The level of market volatility is not purely a measurement of the actual volatility, but is largely determined by the prices for instruments which offer investors protection against such market volatility. The prices of these instruments are determined by forces of supply and demand in the options and derivative markets generally. These forces are, themselves, affected by factors such as actual market volatility, expected volatility, macroeconomic factors and speculation. If the value of the Underlying falls and/or there is a market perception that the value of the Underlying is likely to fall during the remaining life of the Securities, all other factors being equal, the market value of the Securities will under normal conditions also fall. If the value of the Underlying rises and/or there is a market perception that the value of the Underlying is likely to rise during the remaining life of the Securities, all other factors being equal, the market value of the Securities will under normal conditions also rise *[insert if the Securities are Butterfly Certificates and a maximum cash settlement amount is provided]*, provided that, in relation to the settlement of the Securities, where the value or average value of the Underlying on one or more specified final valuation day(s) exceeds the specified maximum value there will not be any corresponding rise in the value of the Securities.]

Furthermore the market value of the Securities will depend on the remaining term of the Securities to maturity and whether or not the value of the Underlying has been equal to or below the specified lower barrier level or is expected to be greater than the upper barrier level and equal to the lower barrier level.

Other factors which may influence the market value of the Securities include interest rates, potential dividend or interest payments, as applicable, in respect of the Underlying, changes in the constituents, or in the method of calculating the level of, the Underlying from time to time and market expectations regarding the future performance of the Underlying and the Securities.

*[If the Underlying is an index or otherwise calculated by reference to constituents insert:]*

The value of the Underlying on any day will reflect the value of its constituents on such day. Changes in the composition of the Underlying and factors (including those described in these Risk Factors) which either affect or may affect the value of the constituents, will affect the value of the Underlying and therefore may affect the market value of the Securities. Fluctuations in the value of any one constituent may be offset or intensified by fluctuations in the value of other constituents.]

## 3. Certain hedging considerations

Certain risks apply to purchasers that acquire the Securities for hedging purposes.

Prospective purchasers intending to purchase the Securities for the purpose of hedging their exposure to the Underlying should recognise the risks of utilising the Securities in such manner. No assurance is or can be given that the value of the Securities will correlate with movements in the value of the Underlying and the composition of the Underlying may change over time. Furthermore, it may not be possible to liquidate the Securities at a price which directly reflects the value of the Underlying. Therefore, there can be no assurance as to the level of any correlation between the return on an investment in the Securities and the return on a direct investment in the Underlying.

Hedging transactions in order to limit the risks associated with the Securities might not be successful.

#### **4. The Securities may be illiquid**

It is not possible to predict if and to what extent a secondary market may develop in the Securities or at what price the Securities will trade in the secondary market or whether such market will be liquid or illiquid. If so specified in this document, application has been made to list or quote or admit to trading the Securities on the stock exchange(s) or quotation system(s) specified. If the Securities are so listed or quoted or admitted to trading, no assurance is given that any such listing or quotation or admission to trading will be maintained. The fact that the Securities may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading.

If the Securities are not listed or quoted or admitted to trading on any stock exchange or quotation system, pricing information for the Securities may be more difficult to obtain and the liquidity of the Securities may be adversely affected. The liquidity of the Securities may also be affected by restrictions on offers and sales of the Securities in some jurisdictions.

The Issuer may, but is not obliged to, at any time purchase Securities at any price in the open market or by tender or private agreement. Any Securities so purchased may be held or resold or surrendered for cancellation. Since the Issuer may be the only market-maker in the Securities, the secondary market may be limited. The more limited the secondary market is, the more difficult it may be for holders of the Securities to realise value for the Securities prior to settlement of the Securities.

#### **Creditworthiness of the Issuer**

The value of the Securities is expected to be affected, in part, by investors' general appraisal of the Issuer's creditworthiness. Any reduction in the creditworthiness of the Issuer could result in a reduction in the value of the Securities. [If a bankruptcy proceeding is commenced in respect to the Issuer, the return to a Securityholder may be limited and any recovery will likely be substantially delayed.

## CONFLICTS OF INTEREST

1. Transactions involving the Underlying: The Issuer and its affiliates may from time to time engage in transactions involving the Underlying for their proprietary accounts and for accounts under their management. Such transactions may have a positive or negative effect on the value of the Underlying and consequently upon the value of the Securities.
2. Acting in other capacities: The Issuer and its affiliates may from time to time act in other capacities with regard to the Securities, such as calculation agent, agent and/or index sponsor. Such functions can allow the Issuer to determine the composition of the Underlying or to calculate its value, which could raise conflicts of interest where securities or other assets issued by the Issuer itself or a group company can be chosen to be part of the Underlying, or where the Issuer maintains a business relationship with the issuer of such securities or assets.
3. Issuing of other derivative instruments in respect of the Underlying: The Issuer and its affiliates may issue other derivative instruments in respect of the Underlying and the introduction of such competing products into the marketplace may affect the value of the Securities.
4. Conducting of hedging transactions: The Issuer may use all or some of the proceeds received from the sale of the Securities to enter into hedging transactions. The Issuer believes that such hedging activity will under normal circumstances not have a material impact on the value of the Securities. However, it cannot be assured that the Issuer's hedging activities will not affect such value. The value of the Securities might in particular be affected by the liquidation of all or a portion of the hedging positions (i) at or about the time of the maturity or expiration of the Securities or (ii), if the Securities provide for a knock-out, knock-in or a similar feature, at the time when the price or value of the Underlying approaches the relevant price or level for the knock-out, knock-in or other feature.
5. Issue Price: The issue price charged for the Securities can, in addition to loading charges, management or other fees charged, comprise a premium on the original mathematical ("fair") value of the Securities which is not visible to investors. Such premium is determined by the Issuer in its discretion and can differ from premiums charged by other issuers for comparable securities.
6. Market-Making for the Securities: The Issuer, or an agent on its behalf, may act as market-maker for the Securities. In such market-making, the Issuer or its agent will, to a large extent, determine the price of the Securities itself. The prices quoted by such market-maker will usually not correspond to the prices which would have formed without such market-making and in a liquid market.

Circumstances taken into account by the market-maker when setting the quoted bid-offer prices in the secondary market notably include the Securities' fair value, which, among other things, depends on the value of

the Underlying, as well as a certain bid-offer spread targeted by the market-maker. The market-maker will in addition regularly take into account a loading charge originally raised for the Securities and any fees or costs which at maturity of the Securities are to be subtracted from the cash amount (including management, transaction or other fees charged on the basis of the Product Conditions). Furthermore, the prices quoted in the secondary market will be influenced, for example, by a premium on the Securities' original value contained in their issue price (see under 5. above), and by dividends paid or received by the Underlying, or its constituents, or other proceeds which, due to the Securities' design, are economically attributable to the Issuer.

The bid-offer spread for the Securities will be set by the market-maker based on supply and demand for the Securities and certain revenue considerations.

Certain costs, like for example management fees charged on the basis of the Product Conditions, are in many cases not taken out of the quoted prices on a consistent basis over the term of the Securities (pro rata temporis), but are subtracted from the Securities' fair value completely at an earlier point in time, as determined by the market-maker in its discretion. The same applies for a premium contained in the issue price and for dividends and other proceeds of the Underlying which, due to the Securities' design, are economically attributable to the Issuer, which often are not subtracted when the Underlying, or its constituents, are traded "ex dividend", but at an early stage of the Securities' term based on expected dividends for the entire term or a certain time span. The rate at which such costs are subtracted depends, *inter alia*, on the net flow back of Securities to the market-maker.

Subsequently, the prices quoted by the market-maker can substantially differ from the fair value of the Securities, or the value to be expected economically on the basis of the factors mentioned above, at the relevant time. In addition, the market-maker can at any time alter the methodology used to set the quoted prices, e. g. increase or decrease the bid-offer spread.

7. Market-Making for the Underlying: The Issuer may, in certain cases, act as a market-maker for the Underlying, which might in particular be the case when the Issuer has also issued the Underlying. By such market-making, the Issuer will, to a large extent, determine the price of the Underlying, and consequently influence the value of the Securities itself. The prices quoted by the Issuer in its market-making function will not always correspond to the prices which would have prevailed without such market-making and in a liquid market.
8. Acting as underwriter or otherwise for the issuer of Underlying: The Issuer and its affiliates may also act as underwriter in connection with future offerings of the Underlying or may act as financial adviser to the issuer of an Underlying or in a commercial banking capacity for the issuer of an Underlying. Such activities could present certain conflicts of interest and may affect the value of the Securities.
9. Obtaining of non-public information: The Issuer and/or its affiliates may acquire non-public information with respect to the Underlying, and neither

the Issuer nor any of its affiliates undertakes to disclose any such information to any Securityholder. In addition, one or more of the Issuer's affiliates may publish research reports with respect to the Underlying. Such activities could present conflicts of interest and may affect the value of the Securities.

## ECONOMIC DESCRIPTION



## Single Underlying linked [Twin Win] [Butterfly] [•] Certificates

The information contained in this section is intended to provide a general description of the Securities. It is qualified by the more detailed explanation set forth in the sections "Product Conditions" and "General Conditions" of this Prospectus. Prospective investors should read carefully and understand the "Product Conditions" and "General Conditions" before making any decision to invest in the Securities. The Conditions specify, amongst other things:

- Whether the Securities will be exercised automatically or not;
- If the Securities are not exercised automatically, the procedure and deadlines for exercising the Securities, and the consequences if the investor does not exercise the Securities in time;
- How and when the value of the Underlying and its constituents are determined for the purposes of valuation of the Securities; and
- How the cash amount payable at settlement will be determined (including, without limitation, whether a multiplier will be applied).

Defined terms used in this Economic Description are more fully defined in the section "Product Conditions" of this Prospectus.

### 1. Rights under the Securities

The [Twin Win] [Butterfly] [•] Certificates (the "Securities") represent the right to receive payment of a cash amount at settlement. The cash amount payable at settlement will vary according to the value or average value of an underlying asset or other basis of reference (the "Underlying") on one or more specified final valuation day(s) and, on each relevant day during a specified period, as described below in scenarios (A), (B) and (C). *[If the Securities are Butterfly Certificates and a maximum Cash Settlement Amount is specified, insert: In any case the cash amount payable at settlement is limited to the specified maximum amount.]*

#### Scenario A:

If the value or average value of the Underlying on the final valuation day(s) is above a specified determination level, the cash amount payable at settlement, will be equal to *[If the Securities have a leveraged upside insert: a disproportionate participation in]* the value or average value of the Underlying on the final valuation day(s) *[ If the Securities are Butterfly Certificates and a maximum Cash Settlement Amount is specified, insert: but limited to the maximum amount.]*

#### Scenario B:

If the value or average value of the Underlying on the final valuation day(s) is equal to or less than the determination level and if the value or average value of the Underlying has not been equal to or less than the lower barrier level on any trading day during a specified period, the cash amount payable at settlement will be equal to the sum of such value or average value of the Underlying on the final

valuation date(s) and a specified downside differential amount. The downside differential amount will be [twice] [•] the difference of the determination level and the value or average value of the Underlying on the final valuation day(s).

Scenario C:

If the value or average value of the Underlying on the final valuation day(s) is equal to or less than the determination level and if the value or average value of the Underlying has been equal to or less than the lower barrier level on any trading day during the specified period, the cash amount payable at settlement will be equal to such value or average value of the Underlying on the final valuation day(s).

[ *If the Securities are Butterfly Certificates and a maximum Cash Settlement Amount is specified, insert:* In any case the cash amount payable at settlement will be limited to the maximum amount].

In each case, the cash amount payable at settlement is subject to deduction of certain taxes, duties and/or expenses.]

The Underlying is [please insert: index, share, other security, fund share, commodity, currency amount or future].

## 2. Economic nature of the Securities

The Securities represent an investment similar to a direct investment in the Underlying. [Insert, if the Upside participation factor is above 100%: However, in contrast to a direct investment in the Underlying, the Securities offer the possibility of increased returns by a disproportionate participation where the value or average value of the Underlying moves upwards above a specified determination level. Even if the value or average value of the Underlying decreases to a certain extent below its value at the issuance of the securities, the securities provide for [insert if the Issue Price is protected: at least the payment of the issue price.][insert, if the Issue Price is protected and additional participation is provided: a positive return.]

For these features, however, investors forgo the right to receive any dividends, interest or similar amounts paid in respect of the Underlying. [Insert, if the Securities are Butterfly Certificates and a maximum amount is applicable: Furthermore, investors forgo the opportunity to participate in any increase of the Underlying above the maximum amount.]

Investors that buy the Securities at their issue date and hold the Securities for the entire term therefore achieve a positive return on their initial investment when the value or average value of the Underlying on one or more specified final valuation day(s) is greater than the specified determination level. Even if the value or average value is below the determination level but has not been below the specified lower barrier level during a specified period, investors that buy the

Securities at their issue date and hold the Securities for the entire term *[insert if the Securities provide not for leverage participation in downside: receive at least the issue price.] [insert if the Securities provide for leverage participation in downside: participate positively in the negative performance of the Underlying.]*

If the value or average value of the Underlying on the specified final valuation day(s) is equal to or below the determination level and if the value of the Underlying on any trading day during a specified period has been equal to or below the specified lower barrier level, investors that buy the Securities at their issue date and hold the Securities for the entire term will receive no positive return and suffer a loss. Such loss can extend to their whole initial investment where the value or average value of the Underlying is zero at this time.

The Securities do not provide a guarantee of payment of a set amount or for the right to receive repayment of the issue price. As described above, the value of any cash amount payable to the investor at settlement depends on the value or average value of the Underlying on one or more specified final valuation day(s), which, in the worst-case scenario, can result in the total loss of the initial investment. There is no return on the Securities other than the potential cash payment at settlement. In particular there are no periodic interest payments or other distributions (e.g. dividends) payable during the term of the Securities. Accordingly, investors may only receive a positive return on their initial investment if the cash amount received at settlement or after a sale of the Securities in the secondary market during their term exceeds the price originally paid for the Securities. Investors will not receive any amounts paid by way of interest or other distributions (e.g. dividends) from time to time paid by or in respect of the Underlying and will not have any rights against the issuer of the Underlying, any constituents of the Underlying or the issuer of such constituents.

### **3. Market Value of the Securities during their term**

The market value of the Securities during their term can fall below the issue price of the Securities.

The market value of the Securities during their term depends primarily on the value and the volatility of the Underlying. The level of market volatility is not purely a measurement of the actual volatility, but is largely determined by the prices for instruments which offer investors protection against such market volatility. The prices of these instruments are determined by forces of supply and demand in the options and derivative markets generally. These forces are, themselves, affected by factors such as actual market volatility, expected volatility, macroeconomic factors and speculation. If the value of the Underlying falls and/or there is a market perception that the value of the Underlying is likely to fall during the remaining life of the Securities, all other factors being equal, the market value of the Securities will under normal conditions also fall. If the value of the Underlying rises and/or there is a market perception that the value of the Underlying is likely to rise during the remaining life of the Securities, all other factors being equal, the market value of the Securities will under normal conditions also rise *[insert if the Securities are Butterfly Certificates and if maximum cash settlement amount is provided: , provided that, in relation to the*

settlement of the Securities, where the value or average value of the Underlying on one or more specified final valuation day(s) exceeds the specified maximum value there will not be any corresponding rise in the value of the Securities.]

Furthermore the market value of the Securities will depend on the remaining term of the Securities to maturity and whether or not the value of the Underlying has been equal to or below the specified lower barrier level or is expected to be greater than the specified determination level and equal to the lower barrier level.

Other factors which may influence the market value of the Securities include interest rates, potential dividend or interest payments, as applicable, in respect of the Underlying, changes in the constituents, or in the method of calculating the level of, the Underlying from time to time and market expectations regarding the future performance of the Underlying and the Securities.

*[If the Settlement Currency is not the same as the Reference Currency and the Securities are quanto securities insert:*

In addition, each value of the Underlying relevant for the determination of the cash amount is deemed to be in the settlement currency, without reference to any exchange rate between the currency of the Underlying and the settlement currency (so-called "**quanto securities**"). As a result, an investment in the Securities will not involve exchange rate risks. However, the relative interest rate difference between the current interest rate relating to the currency in which each relevant value of the Underlying is deemed to be expressed and the current interest rate relating to the settlement currency of the Securities may influence the price of the Securities.]

*[If the Settlement Currency is not the same as the Reference Currency and the Securities are **NOT** quanto securities insert:*

The currency in which each value of the Underlying relevant for the determination of the cash amount is expressed is not the same as the settlement currency of the Securities. Accordingly, an investment in the Securities will involve exchange rate risks.]

*[If the Underlying is an index or otherwise calculated by reference to constituents insert:*

The value of the Underlying on any day will reflect the value of its constituents on such day. Changes in the composition of the Underlying and factors (including those described above) which either affect or may affect the value of the constituents, will affect the value of the Underlying and therefore may affect the return on an investment in the Securities.]

If, following the purchase of any Securities, the market value of the Securities falls below the purchase price paid for such Securities, investors should not expect the market value of the Securities to increase to or above the purchase price paid by the investor during the remainder of the term of the Securities.

## TERMS OF THE OFFER

### **[The Subscription Period] [The Offering Period]**

[Applications to subscribe for the Securities may be made from [●] until the Primary Market End Date as described in the section titled “Country Specific Information” below, paragraph 2.] [The offer of the Securities starts on [●].] [●]. The Issuer reserves the right for any reason to reduce the number of Securities offered.]

### **[Cancellation of the Issuance of the Securities]**

[The issuer reserves the right for any reason to cancel the issuance of the Securities.]

[In Particular, the issuance of the Securities is conditional, amongst other matters, on the Issuer receiving valid subscriptions for Securities amounting to an aggregate subscription value of at least [●] on or prior to the Primary Market End Date. In the event that this condition is not satisfied, the Issuer may cancel the issuance of the Securities as of the Primary Market End Date.]

### **[Early Closing of the Subscription of the Securities]**

In accordance with the section titled “Country Specific Information” below, in paragraph 2, the Issuer reserves the right for any reason to close the subscription period early. [If the aggregate subscription of the Securities at any time on any Business Day prior to the Primary Market End Date reaches [●], the Issuer will close the subscription of the Securities at such time on such Business Day, without any prior notification.]]

### **Delivery of the Securities**

The Securities will be delivered against payment of the Issue Price, in accordance with applicable law and any rules and procedures for the time being of any clearing agent through whose books any of the Securities are transferred. Investors purchasing Securities will receive delivery of them through an account with a financial institution that is a member of one of the respective clearing agents.

***[Insert if third party has been appointed as market maker:***

### **Market Making**

*[Insert name of entity and address]* has agreed with the Issuer to provide liquidity through bid and offer rates in the secondary market, subject to the following conditions: [●].]

## GENERAL INFORMATION

## General Taxation Information

### 1. General

Purchasers and/or sellers of Securities may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of transfer in addition to the issue price or purchase price (if different) of the Securities.

Transactions involving the Securities (including purchases, transfers, exercise or non-exercise or redemption), the accrual or receipt of any interest payable on the Securities and the death of a holder of any Securities may have tax consequences for holders and potential purchasers which may depend, amongst other things, upon the tax status of the holder or potential purchaser and may relate to – amongst other taxes and duties - stamp duty, stamp duty reserve tax, income tax, corporation tax, trade tax, capital gains tax, withholding tax, solidarity surcharge and inheritance tax.

For more specific information on the tax consequences please see the appropriate Country Specific Information.

General Condition 6 (Taxation) in the General Conditions should also be considered carefully by all potential purchasers of any Securities.

Potential purchasers of Securities are advised to consult their own tax advisors as to the tax consequences of transactions involving the Securities.

### 2. Luxembourg Taxation

The following summary is of a general nature and is included herein solely for information purposes. It is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Securities should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

#### (i) Non-resident holders of Securities

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-residents holders of Securities, nor on accrued but unpaid interest in respect of the Securities, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Securities held by non-resident holders of Securities.

However, under the Luxembourg laws of 21 June 2005 (the **Laws**), implementing the Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the **Territories**), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which are resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner,

has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Where withholding tax is applied, it will be levied at a rate of 15% during the first three-year period starting 1 July 2005, at a rate of 20% for the subsequent three-year period and at a rate of 35% thereafter. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Securities coming within the scope of the Laws would at present be subject to withholding tax of 15%.

#### **(ii) Resident holders of Securities**

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Securities, nor on accrued but unpaid interest in respect of Securities, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Securities held by Luxembourg resident holders of Securities.

However, under the Luxembourg law of 23 December 2005 (the **Law**) payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of 10%. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Securities coming within the scope of the Law would be subject to withholding tax of 10%.

### **3. Stamp Duty and Withholding Tax in Germany**

The following paragraphs, which are intended as a general guide on stamp duty and withholding tax only, are based on current legislation and German tax authority practice. They summarise certain aspects of German taxation only which may be applicable to the Securities but do not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase, hold, transfer or redeem the Securities. In particular, this general summary does not consider any specific facts or circumstances that may apply to a particular purchaser. Potential purchasers of the Securities who are in any doubt about their tax position on purchase, ownership, transfer or exercise or non-exercise or redemption, as the case may be, of any Security should consult their own tax advisers.

The purchase or sale of a Security is not subject to stamp, value added or similar taxes or charges in Germany, regardless of the place of issuance, execution and delivery of the Security.

Payments in respect of interest (if any) made in respect of a Security to its holder if made by an Agent having its specified office in Germany or any other financial institution in Germany or if made by the Issuer from Germany may be subject to withholding tax. For a more detailed description of the German withholding tax position the appropriate Country Specific Information should be considered carefully.

### **4. Stamp Duty and Withholding Tax in the United Kingdom**



The following paragraphs, which are intended as a general guide on stamp duty and withholding tax only, are based on current legislation and United Kingdom Inland Revenue practice. They summarise certain aspects of United Kingdom taxation only which may be applicable to the Securities but do not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase, hold, transfer or redeem the Securities. In particular, this general summary does not consider any specific facts or circumstances that may apply to a particular purchaser. Potential purchasers of the Securities who are in any doubt about their tax position on purchase, ownership, transfer or exercise or non-exercise or redemption, as the case may be, of any Security should consult their own tax advisers.

A purchaser of a Security may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the purchase price of such Security.

Potential purchasers of the Securities should note that the Global Security may constitute an instrument which is subject to United Kingdom stamp duty on issue by reference to the amount of the consideration paid or the value of the Security. However, the Global Security will be executed and delivered outside the United Kingdom and should not be brought into the United Kingdom save for the purposes of enforcement. So long as the Global Security is held outside the United Kingdom, it will not be necessary to pay United Kingdom stamp duty or interest or penalties in connection therewith. However, if the Global Security were brought into the United Kingdom (for example, for enforcement purposes), United Kingdom stamp duty may be required to be paid on the Global Security (subject to the availability of exemptions and reliefs). In addition, where the Global Security is executed outside the United Kingdom is subsequently brought into the United Kingdom and stamped, interest on the amount of the unpaid stamp duty will be payable in addition to the stamp duty in respect of the period from the expiry of 30 days from the date of execution of the Global Security to the date of stamping, unless the Global Security is stamped within 30 days of execution, in which case no interest is payable. No penalties are payable where the Global Security is executed outside the United Kingdom and subsequently brought into the United Kingdom and stamped, provided the Global Security is stamped within 30 days of being brought into the United Kingdom. If the Global Security is subject to United Kingdom stamp duty, it would be inadmissible in evidence in civil (as opposed to criminal) proceedings in an English court unless duly stamped.

The comments above relate to United Kingdom stamp duty on issue only.

Any interest payable on the Securities, any original issue discount in respect of the Securities and/or any proceeds on redemption or exercise of the Securities will not be subject to United Kingdom withholding tax.

These General Conditions relate to the Securities and must be read in conjunction with, and are subject to, the Product Conditions set out in this document. The Product Conditions and the General Conditions together constitute the Conditions of the Securities and will be attached to the Global Security representing the Securities.

## General Selling and Transfer Restrictions

### 1. General

The distribution of this document and the offering of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required by the Issuer to inform themselves about and to observe any such restrictions.

### 2. United States of America

The Securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and trading in the Securities has not been approved by the United States Commodity Futures Trading Commission (the “**CFTC**”) under the United States Commodity Exchange Act (the “**Commodity Exchange Act**”). No Securities, or interests therein, may at any time be offered, sold, resold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person. No Securities may be exercised or redeemed by or on behalf of a U.S. person or a person within the United States. As used herein, “**United States**” means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction; and “**U.S. person**” means (i) an individual who is a resident of the United States; (ii) a corporation, partnership or other entity organised in or under the laws of the United States or any political subdivision thereof or which has its principal place of business in the United States; (iii) any estate or trust which is subject to United States federal income taxation regardless of the source of its income; (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and if one or more United States trustees have the authority to control all substantial decisions of the trust; (v) a pension plan for the employees, officers or principals of a corporation, partnership or other entity described in (ii) above; (vi) any entity organised principally for passive investment, 10 per cent. or more of the beneficial interests in which are held by persons described in (i) to (v) above if such entity was formed principally for the purpose of investment by such persons in a commodity pool the operator of which is exempt from certain requirements of Part 4 of the CFTC’s regulations by virtue of its participants being non-U.S. persons; or (vii) any other “U.S. person” as such term may be defined in Regulation S under the Securities Act or in regulations adopted under the Commodity Exchange Act.

### European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) the Securities have not been offered and will not be offered to the public in that Relevant Member State except, with effect from and including the Relevant Implementation Date, the Securities may be offered 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 the Base Prospectus in relation to those Securities which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, 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 Securities to the public” in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression **Prospectus Directive** means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

### **United Kingdom**

(a) In relation to any Securities which have a maturity of less than one year, (i) the Securities shall not be sold by any person other than a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) no such person has offered or sold and will not offer or sell any Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Securities would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer [or the Guarantor]; and

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

## Publication of Prospectus

The Base Prospectus and any documents incorporated by reference shall be published on the website of the Luxembourg Stock Exchange and on the Issuer's website.

These websites can be found at:

Party	"URL"
Luxembourg Stock Exchange	<a href="http://www.bourse.lu">www.bourse.lu</a>
Issuer (Deutsche Bank AG)	<a href="http://www.db.com">www.db.com</a>

In addition, the Base Prospectus and any documents incorporated by reference shall be available at the registered office of the Issuer and in Luxembourg at the Issuer's *insert as applicable*: [branch office, Deutsche Bank Luxembourg Branch, 2, Boulevard Konrad Adenauer, L-1115 Luxembourg] [agent in Luxembourg, Banque de Luxembourg, at 55, rue des Scillas, L-2529, Luxembourg]].

## PRODUCT CONDITION 1

## SINGLE UNDERLYING LINKED [BUTTERFLY] [TWIN WIN] [•] CERTIFICATES

*These Product Conditions relate to the Securities and must be read in conjunction with, and are subject to, the General Conditions set out in this document. The Product Conditions and the General Conditions together constitute the Conditions of the Securities and will be attached to the Global Security representing the Securities.*

### PRODUCT CONDITIONS

#### 1. Definitions

"**Affiliate**" means any entity controlled, directly or indirectly, by the Issuer, any entity that controls, directly or indirectly, the Issuer, or any entity under common control with the Issuer. As used herein "**control**" means ownership of a majority of the voting power of the entity or, as the case may be, the Issuer and "**controlled by**" and "**controls**" shall be construed accordingly;

"**Agent**" means, subject to the provisions of General Condition 5, Deutsche Bank AG, acting through [If Deutsche Bank AG Frankfurt, acting through its London branch, is Issuer insert: its branch office in London (Deutsche Bank AG London) (the "**Principal Agent**") and through its principal office in Frankfurt am Main] [If Deutsche Bank AG Frankfurt is Issuer insert: its principal office in Frankfurt am Main (the "**Principal Agent**") and through its branch office in London (Deutsche Bank AG London)], (each an "**Agent**" and together the "**Agents**");

[If Settlement is cash only insert:

"**Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in [London], [Frankfurt am Main] [and [•]] a day on which each Clearing Agent is open for business and, for the purpose of making payments in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) system is open;]

"**Calculation Agent**" means the Issuer, subject to the provisions of General Condition 5;

"**Cash Settlement Amount**" means, in respect of each Security, an amount determined by the Calculation Agent to be equal to [If a Multiplier is applicable, insert: the product of the Multiplier and an amount determined as follows]:

- (1) if, in the determination of the Calculation Agent, the Final Reference Level is greater than the Determination Level, the [insert if the Securities do not provide for an Upside Participation Factor: Final Reference Level] [insert if the Securities provide for an Upside Participation Factor:

the sum of (a) and (b), where:

- (a) is the Determination Level; and
- (b) is the product of (i) and (ii), where:

- (i) is the difference between the Final Reference Level and the Determination Level; and
  - (ii) is the Upside Participation Factor];
- (2) if, in the determination of the Calculation Agent, the Final Reference Level is less than or equal to the Determination Level and the Lower Barrier Determination Amount has been never equal to or less than the Lower Barrier Level [at any time] on any Trading Day during the Lower Barrier Determination Period, an amount equal to the sum of (a) and (b), where:
- (a) means the Final Reference Level and
  - (b) means the Downside Differential Amount; or
- (3) if, in the determination of the Calculation Agent, the Final Reference Level is less than or equal to the Determination Level and the Lower Barrier Determination Amount has been equal to or less than the Lower Barrier Level [at any time] on any Trading Day during the Lower Barrier Determination Period, an amount equal to the Final Reference Level;

[in any case the Cash Settlement amount will be subject to a [Maximum Amount] [maximum of [CCY][ ●][●]]

***[If the Settlement Currency is not the same as the Reference Currency, insert:***

The Cash Settlement Amount will be converted into the Settlement Currency at the Exchange Rate on the [Business Day immediately following the] [Valuation Date] [last occurring Valuation Date] [●][or, if such day is not a Business Day, the immediately [following][preceding] day which is a Business Day].]

The Cash Settlement Amount will be rounded to the nearest [two decimal places] [whole unit] in the Settlement Currency, [0.005] [half a unit] being rounded downwards;]

**"Clearing Agent"** means [●] Clearstream Banking AG in Frankfurt am Main, Germany, and such further or alternative clearing agent(s) or clearance system(s) as may be approved by the Issuer from time to time and notified to the Securityholders in accordance with General Condition 4 (each a **"Clearing Agent"** and together the **"Clearing Agents"**[, which term will include any depositary holding the Global Security on behalf of the Clearing Agent]);

**"Determination Level"** means [●] [[●] per cent. of the Initial Reference Level], subject to adjustment in accordance with Product Condition 4;

**"Downside Differential Amount"** means, in respect of a Security, an amount determined by the Calculation Agent equal to [the product of:

- (1) [●]<sup>1</sup>; and
- (2) ] the Determination Level minus the Final Reference Level;

***[If the Settlement Currency is not the same as the Reference Currency and if the Security is not a quanto security insert:***

**"Exchange Rate"** means in relation to the Underlying and in respect of any day, the rate of exchange prevailing at [16:00] [●] [Central European Time] [●] (or at such time approximate thereto as the Calculation Agent determines to be practicable) on such day between the Reference Currency and the Settlement Cur-

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<sup>1</sup> Insert **at least** 1



rency (expressed as the number of units of the Reference Currency or a fraction thereof required to buy one unit of the Settlement Currency) as determined by the Calculation Agent by reference to such source(s) as the Calculation Agent may reasonably determine to be appropriate at such time;]"**Exercise Date**" means [●] or, if such day is not a Business Day, the first succeeding Business Day;

"**Exercise Date**" means [●] or, if such day is not a Business Day, the first succeeding Business Day];

*[If the Final Reference Level is determined on one single day insert:*

"**Final Reference Level**" means, subject to adjustment in accordance with Product Condition 4, and as provided in the definition of "Valuation Date", an amount equal to the Reference Level on the Valuation Date as determined by the Calculation Agent and without regard to any subsequently published correction(s);]

*[If the Final Reference Level is determined on several consecutive days insert:*

"**Final Reference Level**" means, subject to adjustment in accordance with Product Condition 4, and as provided in the definition of "Valuation Date", an amount equal to the arithmetic average of the Reference Levels on all the Valuation Dates as determined by the Calculation Agent and without regard to any subsequently published correction(s);]

"**Global Security**" has the meaning ascribed thereto in Product Condition 2;

*[If the Initial Reference Level is determined on one single day insert:*

"**Initial Reference Level**" means, subject to adjustment in accordance with Product Condition 4, and as provided in the definition of "Initial Reference Valuation Date", an amount equal to the Reference Level on the Initial Reference Valuation Date as determined by the Calculation Agent and without regard to any subsequently published correction(s);]

*[If the Initial Reference Level is determined on several consecutive days insert:*

"**Initial Reference Level**" means, subject to adjustment in accordance with Product Condition 4, and as provided in the definition of "Initial Reference Valuation Date", an amount equal to the arithmetic average of the Reference Levels on all the Initial Reference Valuation Dates as determined by the Calculation Agent and without regard to any subsequently published correction(s);]

*[If the Initial Reference Level is determined on one single day insert:*

"**Initial Reference Valuation Date**" means [the [●] [Trading Day] [calendar day] following the Primary Market End Date] [[●] or, if such day is not a Trading Day, the next following Trading Day] unless, in the opinion of the Calculation Agent, a Market Disruption Event has occurred on such day. If there is a Market Disruption Event on such day, then the Initial Reference Valuation Date shall be the first succeeding Trading Day on which there is no Market Disruption Event. If the first succeeding Trading Day on which there is no Market Disruption Event has not occurred by the [eighth] [●] Trading Day immediately following the original date which, but for the occurrence of a Market Disruption Event, would have been the Initial Reference Valuation Date, then (A) that [eighth] [●] Trading Day shall be deemed to be the Initial Reference Valuation Date notwithstanding the Market Disruption Event and (B) the Calculation Agent shall determine the Reference Level for the Initial Reference Valuation Date by determining the price or level of

the Underlying that would have prevailed but for the occurrence of a Market Disruption Event as of that [eighth] [●] Trading Day having regard to the then prevailing market conditions, the last reported, published or traded level or price of the Underlying and, if applicable, of each asset included in the Underlying and such other factors as the Calculation Agent considers relevant;]

**[If the Initial Reference Level is determined on several consecutive days insert:**

**"Initial Reference Valuation Date"** means [each of the [●] [Trading Days] [calendar days] following the Primary Market End Date] [[●] or, if any such day is not a Trading Day, the next following Trading Day on which another Initial Reference Valuation Date does not occur] unless, in the opinion of the Calculation Agent, a Market Disruption Event has occurred on any such day. If there is a Market Disruption Event on any such day, then that Initial Reference Valuation Date shall be the first succeeding Initial Reference Valid Date. If the first succeeding Initial Reference Valid Date has not occurred by the [eighth] [●] Trading Day immediately following the original date which, but for the occurrence of a Market Disruption Event, would have been that Initial Reference Valuation Date, then (A) that [eighth] [●] Trading Day shall be deemed to be that Initial Reference Valuation Date notwithstanding the Market Disruption Event and (B) the Calculation Agent shall determine the Reference Level for that Initial Reference Valuation Date by determining the price or level of the Underlying that would have prevailed but for the occurrence of a Market Disruption Event as of that [eighth] [●] Trading Day having regard to the then prevailing market conditions, the last reported, published or traded level or price of the Underlying and, if applicable, of each asset included in the Underlying and such other factors as the Calculation Agent considers relevant;]

**[If the Initial Reference Level is determined on several consecutive days insert:**

**"Initial Reference Valid Date"** means a Trading Day on which there is no Market Disruption Event and on which another Initial Reference Valuation Date does not or is not deemed to occur;]

**"Issue Date"** means [●];

**"Issuer"** means Deutsche Bank AG, Frankfurt am Main[, acting through its London branch (Deutsche Bank AG London)];

**"Lower Barrier Determination Amount"** means [at any time] on any relevant Trading Day, an amount which shall be deemed to be a monetary value in the [Settlement]<sup>1</sup>[Reference]<sup>2</sup> Currency) equal to the [●] [official closing] [traded price] [price] [level] [●] of the Underlying [[quoted by] [published on] the Reference Source] [●]<sup>3</sup>[at such time] on such day determined by the Calculation Agent and without regard to any subsequently published correction(s), provided that if a Market Disruption Event has occurred and is prevailing at such time on such day, no Lower Barrier Determination Amount shall be calculated for such time;

**"Lower Barrier Determination Period"** means the period from [and including] [●] to [and including] [●] [the relevant time for the determination of the Final Ref-

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<sup>1</sup> Insert if the Settlement Currency is the same as the Reference Currency or if the Security is a quanto security.

<sup>2</sup> If the Settlement Currency is not the same as the Reference Currency and if the Security is not a quanto security insert.

<sup>3</sup> Insert mode for determination of the Barrier Determination Amount.

erence Level on the [last occurring] Valuation Date] as specified in the definition of Reference Level;

"**Lower Barrier Level**" means [●] [[●] per cent. of the Initial Reference Level], subject to adjustment in accordance with Product Condition 4;

"**Market Disruption Event**" means each event specified to be a Market Disruption Event in Product Condition 4;

"**Maximum Amount**" means [●] [[●] per cent. of the Initial Reference Level], subject to adjustment in accordance with Product Condition 4;

***[If the Securities have a Multiplier insert:***

"**Multiplier**" means [●] subject to adjustment in accordance with Product Condition 4;]

"**Primary Market End Date**" means [●] or, if such day is not a Business Day, the first succeeding Business Day;

***[If the Settlement Currency is not the same as the Reference Currency insert:***

"**Reference Currency**" means [●];]

***[If the Initial and Final Reference Level are determined in the same manner insert:***

"**Reference Level**" means, in respect of any day, subject to adjustment in accordance with Product Condition 4, an amount (which shall be deemed to be a monetary value in the [Settlement]<sup>1</sup> [Reference]<sup>2</sup> Currency) equal to the [[●] [official closing] [price] [level] of the Underlying [[quoted by] [published on] the Reference Source] [●]<sup>3</sup> on such day] [●], all as determined by the Calculation Agent;]

***[If the Initial and Final Reference Level are not determined in the same manner insert:***

"**Reference Level**" means, in respect of:

- 1) [a[n]/the] [Initial Reference] [Valuation] Date, subject to adjustment in accordance with Product Condition 4, an amount (which shall be deemed to be a monetary value in the [Settlement]<sup>4</sup> [Reference]<sup>5</sup> Currency) calculated by the Calculation Agent [in the same manner as the sponsor of the Underlying, as specified in the table under the definition of "Underlying" below, would calculate the [●] [official closing] [price] [level] of the Underlying on such day, except that in making such calculation the Calculation Agent shall substitute [●] for [●]] [to be equal to the [[●] [official closing] [price] [level] of the Underlying [[quoted by] [published on] the Reference Source] [●]<sup>1</sup> on such day ] [●]; and
- 2) any other day, subject to adjustment in accordance with Product Condition 4, an amount (which shall be deemed to be a monetary value in the [Settlement]<sup>2</sup> [Reference]<sup>3</sup> Currency) equal to the [[●] [official closing] [price] [level] of the Underlying [[quoted by] [published on] the Reference Source] [●]<sup>4</sup> on such day] [●], all as determined by the Calculation Agent;]

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1 Insert mode for determination of the Reference Level.

2 Insert if the Settlement Currency is the same as the Reference Currency or if the Security is a quanto security.

3 If the Settlement Currency is not the same as the Reference Currency and if the Security is not a quanto security insert.

4 Insert mode for determination of the Reference Level.

"**Reference Source**" means in relation to the Underlying the reference source or reference sources specified in the table under the definition of "Underlying" below, or any successor to such reference source, acceptable to the Calculation Agent, as determined by the Calculation Agent;

"**Securities**" means [up to] [●] [Butterfly] [Twin Win] [●] certificates relating to the Underlying represented by the Global Security and each a "**Security**";

"**Securityholder Expenses**" means, in respect of a Security, all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising in connection with (i) the exercise of such Security and/or (ii) any payment or delivery due following exercise or otherwise in respect of such Security;

"**Settlement**" means cash settlement ("**Cash Settlement**");]

"**Settlement Currency**" means [●];

"**Settlement Date**" means, [●] the [third] [●] Business Day following the last occurring Valuation Date];

"**Trading Day**" means any day that is (or, but for the occurrence of a Market Disruption Event, would have been) a trading day for [each] [the] Reference Source, provided that trading day shall mean

**[If any Reference Source is an exchange, trading system or quotation system insert 1:**

- [for any Reference Source which is an exchange, a trading system or a quotation system,] any day on which such Reference Source is open for trading other than a day on which trading on any such Reference Source is scheduled to close prior to its regular weekday closing time; ]

**[If any Reference Source is not an exchange, trading system or quotation system insert 2:**

- [for any Reference Source which is not an exchange, a trading system or a quotation system,] [any Business Day other than a day on which commercial banks and foreign exchange markets are closed in the country where the Reference Source is located] [●];]

"**Underlying**" means the following [index] [share] [other security] [fund share] [commodity] [Foreign Exchange Rate] [future] of the Sponsor or Issuer of the Underlying and with the Reference Source (if any) set out in the table below:

Type of Underlying	Name of Underlying	Sponsor or Issuer of Underlying	Reference Source
[Index]	[EuroLeader]	[Deutsche Bank AG]	[In relation to each security or other asset constituting the Index, the primary exchange on which such security or

<sup>1</sup> Insert both alternatives if applicable.

<sup>2</sup> Insert both alternatives if applicable.

			other asset is listed or traded as determined by the Calculation Agent]
[Index]	[DAX]	[Deutsche Börse AG]	[Frankfurt Stock Exchange]
[Share]	[Ordinary Share/common stock & ISIN etc.]	[●]	
[Other Security]		[●]	
[Fund Share]		[●]	
[Commodity]	[Fine Troy of Gold]	[Not applicable]	[London Metal Exchange]
[Foreign Exchange Rate]	[Rate of Exchange [●]]	[Not applicable]	
[Future]		[●]	

***[If the Securities provide for a Participation Factor insert:***

"Upside Participation Factor" means [●<sup>1</sup>] subject to adjustment in accordance with Product Condition 4;]

***[If the Final Reference Level is determined on several consecutive days insert:***

"Valid Date" means a Trading Day on which there is no Market Disruption Event and on which another Valuation Date does not or is not deemed to occur.]

***[If the Final Reference Level is determined on one single day insert:***

"Valuation Date" means [the [●] Trading Day following the Exercise Date] [●] [the Exercise Date,] [or, if such day is not a Trading Day, the next following Trading Day] [●] unless, in the opinion of the Calculation Agent, a Market Disruption Event has occurred on such day. If there is a Market Disruption Event on such day, then the Valuation Date shall be the first succeeding Trading Day on which there is no Market Disruption Event. If the first succeeding Trading Day on which there is no Market Disruption Event has not occurred by the [eighth] [●] Trading Day immediately following the original date which, but for the occurrence of a Market Disruption Event, would have been the Valuation Date, then (A) that [eighth] [●] Trading Day shall be deemed to be the Valuation Date notwithstanding the Market Disruption Event and (B) the Calculation Agent shall determine the Reference Level for the Valuation Date by determining the price or level of the Underlying that would have prevailed but for the occurrence of a Market Disrup-

<sup>1</sup> Insert number equal to or greater than 1

tion Event as of that [eighth] [●] Trading Day having regard to the then prevailing market conditions, the last reported, published or traded level or price of the Underlying and, if applicable, of each asset included in the Underlying and such other factors as the Calculation Agent considers relevant.]

*[If the Final Reference Level is determined on several consecutive days insert:*

**"Valuation Date"** means [each of the first [●][●] [Trading Days] [calendar days] following the Exercise Date [or, if any such day is not a Trading Day, the next following Trading Day on which another Valuation Date does not occur] unless, in the opinion of the Calculation Agent, a Market Disruption Event has occurred on any such day. If there is a Market Disruption Event on any such day, then that Valuation Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred by the [eighth] [●] Trading Day immediately following the original date which, but for the occurrence of a Market Disruption Event, would have been that Valuation Date, then (A) that [eighth] [●] Trading Day shall be deemed to be that Valuation Date notwithstanding the Market Disruption Event and (B) the Calculation Agent shall determine the Reference Level for that Valuation Date by determining the price or level of the Underlying that would have prevailed but for the occurrence of a Market Disruption Event as of that [eighth] [●] Trading Day having regard to the then prevailing market conditions, the last reported, published or traded level or price of the Underlying and, if applicable, of each asset included in the Underlying and such other factors as the Calculation Agent considers relevant].

Terms with initial capital letters which are not defined in these Product Conditions shall have the meanings ascribed to them in the General Conditions.

## PRODUCT CONDITION 2

### FORM

The Securities are represented by a global security (the "**Global Security**") which will, if deposited with a Clearing Agent in Germany, be in bearer form for the purposes of German law. The Global Security has been deposited with the Clearing Agent. No definitive Securities will be issued.

The Securities are transferable in accordance with applicable law and any rules and procedures for the time being of any Clearing Agent through whose books any of the Securities are transferred.

*[Insert, if governing law is English law:* Each person (other than another Clearing Agent) who is for the time being shown in the records of the relevant Clearing Agent as the holder of a particular amount of the Securities (in which regard any certificate or other document issued by the relevant Clearing Agent as to the amount of Securities standing to the account of any person shall be conclusive and binding for all purposes except in the case of manifest error) shall be treated by the Issuer and the Agents as the holder of such amount of the Securities (and the terms "**Securityholder**" and "**holder of Securities**" and related expressions shall be construed accordingly) for all purposes.]

*[Insert, if governing law is German law:* The terms "**Securityholders**" and "**holders of Securities**" in the Conditions will be construed to mean those persons recognised as the legal owner of the Securities pursuant to German law.]

## PRODUCT CONDITION 3

### [Clause 3 Warrants & Certificates Cash only, European Type, Automatic Exercise

#### 3. Exercise Rights and Exercise Procedure

##### 3.1. *Exercise*

Each Security will be exercised automatically on the Exercise Date and the provisions of Product Condition 3.2 shall apply. The expressions "exercise", "due exercise" and related expressions shall be construed to apply to any Securities which are automatically exercised on the Exercise Date in accordance with this provision. No Securityholder will be required to complete an exercise notice.

##### 3.2. *Settlement*

Each Security entitles its holder to receive from the Issuer, the Cash Settlement Amount less any Securityholder Expenses for value on the Settlement Date.

Subject as provided below, payment of the Cash Settlement Amount will be made by an Agent on behalf of the Issuer by credit or transfer to the relevant Clearing Agent for the account of the relevant Securityholder, such payment to be made in accordance with the rules of such Clearing Agent.

The Issuer will be discharged of its payment obligations by payment to, or to the order of, the relevant Clearing Agent in respect of the amount so paid. Each of the persons shown in the records of a Clearing Agent as the holder of a particular number of the Securities must look solely to the relevant Clearing Agent for his share of each such payment so made by the Issuer to, or to the order of, the relevant Clearing Agent.

All payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment and subject to the provisions of General Conditions 6.

If a payment of any amount to be paid to a Securityholder, according to the rules of the relevant Clearing Agent, cannot be made in Settlement Currency, such payment shall be made in the currency principally used by the relevant Clearing Agent for payments to securityholders holding accounts with such Clearing Agent, following a conversion of the relevant amount from the Settlement Currency, using the rate of exchange determined by the Calculation Agent by reference to such sources as the Calculation Agent may reasonably determine to be appropriate.

##### 3.3. *General*

In the absence of gross negligence or wilful misconduct on its part, none of the Issuer, the Calculation Agent and any Agent shall have any responsibility for any errors or omissions in the calculation of any amount payable hereunder or in any other determination pursuant to the provisions hereof. The purchase and/or holding of Securities does not confer on any holder of any Securities any rights (whether in respect of voting, distributions or otherwise) in relation to the Underlying or any asset of any kind whatsoever by reference to which the Cash Settlement Amount is calculated.

##### 3.4 *Securityholder Expenses*

In respect of each Security, all Securityholder Expenses in respect thereof shall be for the account of the relevant Securityholder and where any Cash Settlement Amount and/or other amount in respect of a Security is payable no payment shall be made until all Securityholder Expenses in respect thereof have been paid to the satisfaction of the Issuer.



### 3.5 *Exercise and Settlement Risk*

Exercise and settlement of the Securities is subject to all applicable laws, regulations and practices in force at all relevant times, and neither the Issuer nor any Agent shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations or practices. Neither the Issuer nor the Agents shall under any circumstances be liable for any acts or defaults of any Clearing Agent in relation to the performance of its duties in relation to the Securities.]



## PRODUCT CONDITION 4

### Clause 4 Adjustment Provisions: Indices

#### 4. Adjustment Provisions

*[If the definition of "Underlying" or "Basket" in Product Condition 1 includes an Index or Indices, insert this section:]*

##### 4.1 Indices

*[If more than one Type of Underlying or Basket Constituent is set out in the definition of "Basket" or "Underlying" (a) the Product Condition 4 sections will need to be renumbered appropriately and (b) the following should be inserted:]*

This Product Condition 4.[1]and the definitions herein shall only apply in relation to any Index or Indices specified in Product Condition 1 in the column headed "Type of Basket Constituent" in the definition of "Basket", or in the column headed "Type of Underlying" in the definition of "Underlying", as the case may be. For any Underlying other than an Index or Indices which are specified in such column, other sections of this Product Condition 4, if and to the extent applicable, and the definitions therein shall apply.]

##### 4.1.1 Definitions:

"**Affiliate**" is as defined in Product Condition 1;

"**Index**" means (i) the or, as the case may be, each index specified in the definition of "Underlying" or "Basket", as the case may be, in Product Condition 1 (each a "**Principal Index**") and (ii) any index included in any Principal Index, or used for the calculation or determination of any Principal Index or any Index Constituent thereof (a "**Sub-Index**");

"**Index Constituent**" means any security or other asset or reference value (other than a Sub-Index) constituting an Index at a relevant time;

"**Index Sponsor**" means (i) in relation to a Principal Index, the sponsor specified for such Principal Index in the definition of "Underlying" or "Basket", as the case may be, in Product Condition 1 and (ii) in relation to a Sub-Index, the entity determined by the Calculation Agent to be principally responsible for the determination and publication of such Sub-Index, provided that, in either case all references to an Index Sponsor shall include any Successor Sponsor (as defined below);

"**Reference Currency**" (i) in relation to a Principal Index, is as defined in Product Condition 1 or, if not defined in Product Condition 1, is the Settlement Currency and (ii) in relation to an Index Constituent or a Sub-Index, is the currency in which the Index Constituent or Sub-Index is denominated or quoted or with which it is most closely connected, as determined by the Calculation Agent;

"**Reference Level**" is as defined in Product Condition 1;

"**Reference Source**" (i) in relation to a Principal Index, is as defined in Product Condition 1 and (ii) in relation to any Sub-Index or Index Constituent, is the reference source or reference sources determined by the Calculation

Agent to be applicable to the valuation of such Sub-Index or such Index Constituent, as the case may be, for the purposes of determining the Reference Level;

**"Related Exchange"** means, unless otherwise defined in Product Condition 1, with respect to an Index or an Index Constituent, any exchange, trading system or quotation system on which options contracts or futures contracts on such Index or such Index Constituent are traded, as determined by the Calculation Agent;

**"Relevant Country"** means, each of:

- (i) any country (or any political or regulatory authority thereof) in which a Reference Currency or the Settlement Currency is the legal tender or currency; and
- (ii) any country (or any political or regulatory authority thereof) with which an Index or an Index Constituent has a material connection and, in determining what is material the Calculation Agent may, without limitation, refer to the country or countries in which the Index is calculated or published, the issuer of the Index Constituent is incorporated and/or such other factor(s) as it may deem appropriate,

all as determined by the Calculation Agent.

**"Relevant Time"** means, with respect to an Index or an Index Constituent, the relevant time by reference to which the relevant Index Sponsor determines the price or value of such Index or such Index Constituent for the purposes of determining the Reference Level; and

**"Settlement Currency"** is as defined in Product Condition 1.

#### 4.1.2 *Market Disruption*

The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 if a Market Disruption Event has occurred on any date with respect to which the Calculation Agent would, but for the occurrence of a Market Disruption Event, have been required by the Product Conditions to determine the level of an Index.

**"Market Disruption Event"** means:

*[If the Reference Source for any Index or Index Constituent is an exchange, a trading system or a quotation system insert:*

*[Insert the following three lines if section (ii) of Market Disruption Event definition is also used:*

- (i) where the Reference Source for an Index or an Index Constituent is an exchange, a trading system or a quotation system as determined by the Calculation Agent,]

- 4.1.2.1 the occurrence or existence on any Trading Day at the Relevant Time for such Index or such Index Constituent or at any time during the one hour period that ends at the Relevant Time for such Index or such Index Constituent:

(A) of any suspension of or limitation imposed on trading (whether by reason of movements in price exceeding limits permitted by any Reference Source or any Related Exchange or otherwise):

4.1.2.1.1 on any Reference Source as a whole;  
or

4.1.2.1.2 on any Related Exchange of any options contracts or futures contracts on or relating to any Index or any Index Constituent; or

4.1.2.1.3 on any exchange or trading system or quotation system on which an Index Constituent is listed or quoted of such Index Constituent; or

(B) of any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in relation to or to obtain market values for such Index or such Index Constituent on the relevant Reference Source or to effect transactions in or obtain market values for options contracts or futures contracts on or relating to such Index or such Index Constituent on any Related Exchange;  
or

4.1.2.2 the closure on any Trading Day of any Reference Source or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Source or such Related Exchange, as the case may be, at least one hour prior to (aa) the actual closing time for the regular trading session on such Reference Source or such Related Exchange on such Trading Day or, if earlier, (bb) the submission deadline (if applicable) for orders to be entered into such Reference Source or such Related Exchange system for execution at the Relevant Time on such Trading Day. A "**Scheduled Closing Time**" is the scheduled weekday closing time of the relevant Reference Source or Related Exchange, without regard to after hours or any other trading outside of the regular trading session hours; or

4.1.2.3 a general moratorium is declared in respect of banking activities in any Relevant Country; [or]

*[Insert if the Reference Source for any Index or Index Constituent is located in an Emerging Market Country]*

4.1.2.4 in relation to a Reference Currency for a Principal Index, a Sub-Index or an Index Constituent which is different from the Settlement Currency, the occurrence at any time of an event which the Calculation Agent determines would have

the effect of preventing, restricting or delaying the Issuer and/or any of its Affiliates from:

- (i) converting such Reference Currency into the Settlement Currency through customary legal channels or transferring within or from any Relevant Country either currency, due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;
- (ii) converting such Reference Currency into the Settlement Currency at a rate at least as favourable as the rate for domestic institutions located in any Relevant Country;
- (iii) delivering such Reference Currency or Settlement Currency from accounts inside any Relevant Country to accounts outside such Relevant Country; or
- (iv) transferring such Reference Currency or Settlement Currency between accounts inside any Relevant Country or to a party that is a non-resident of such Relevant Country; or

- 4.1.2.5 a Relevant Country (a) imposes any controls or announces its intention to impose any controls or (b)(i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer and/or any of its Affiliates' ability to acquire, hold, transfer or realise such Index Constituent or otherwise to effect transactions in relation to such Index,

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities[; and/or]]

***[If the Reference Source for any Index or Index Constituent is not an exchange or trading system or a quotation system insert:***

***[Insert the following three lines if section (i) of Market Disruption Event definition is also used:***

- (ii) where the Reference Source for an Index or an Index Constituent is not an exchange, a trading system or a quotation system as determined by the Calculation Agent,
  - (a) it is not possible, for reasons beyond the reasonable control of the Calculation Agent, to determine the price or value (or an element of such price or value) of such Index or Index

Constituent by reference to such Reference Source in the manner specified in the definition of "Reference Level" in Product Condition 1 or in "Information relating to the Underlying", or otherwise according to the rules or normal or accepted procedures for the determination of such price or value (whether due to non-publication of such price or value or otherwise); or

- (b) *[if section (i) is included above, insert: any event occurs, as described in 4.1.2.3. [Insert if the Reference Source for any Index or Index Constituent is located in an Emerging Market Country:, 4.1.2.4.and/or 4.1.2.5] above in relation to any such Index or Index Constituent,] OR [if section (i) is not included above, insert 4.1.2.3, 4.1.2.4, and 4.1.2.5 here renumbered as 4.1.2.1, 4.1.2.2, and 4.1.2.3 respectively]*

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities.]

#### 4.1.3 Adjustments to the Index

The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 of any determination made by it pursuant to paragraph 4.1.3.1 or 4.1.3.2 below.

4.1.3.1 If an Index is:

- 4.1.3.1.1 not calculated and announced by the relevant Index Sponsor but is calculated and published by a successor sponsor (the "**Successor Sponsor**") acceptable to the Calculation Agent; or
- 4.1.3.1.2 replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Index,

then in each case that Index will be deemed to be the index so calculated and announced by such Successor Sponsor or that successor index, as the case may be.

4.1.3.2 If:

- 4.1.3.2.1 on or prior to any date with respect to which the Calculation Agent is required by the Product Conditions to determine the level of an Index, the relevant Index Sponsor or, if applicable, the Successor Sponsor (i) makes or announces that it will make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent

stock and capitalisation and other routine events) (an "**Index Modification**") or (ii) permanently cancels that Index (an "**Index Cancellation**") or (iii) fails to calculate and announce that Index (an "**Index Disruption**") and, in each case, Product Condition 4.1.3.1.1 or 4.1.3.1.2 does not apply,

then the Issuer may take any action described in 4.1.3.2.2 or 4.1.3.2.3 below:

- 4.1.3.2.2 require the Calculation Agent to determine the level of that Index on that date using, in lieu of a published level for that Index, the level for that Index as at that date as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the Index Modification, Index Cancellation or Index Disruption but using only those Index Constituents that comprised that Index immediately prior to the Index Modification, Index Cancellation or Index Disruption; or
- 4.1.3.2.3 cancel the Securities by giving notice to Securityholders in accordance with General Condition 4. If the Securities are so cancelled, the Issuer will pay an amount to each Securityholder in respect of each Security held by such Securityholder which amount shall be the fair market value of a Security taking into account the Index Modification, Index Cancellation or Index Disruption, as the case may be, less the cost to the Issuer and/or any of its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its reasonable discretion. Payment will be made in such manner as shall be notified to the Securityholders in accordance with General Condition 4.

***[Insert for Deutsche Bank proprietary Index, if applicable.]***

Where provisions for the calculation of an Index are set out in "Information Relating to the Underlying Asset" attached hereto then, for the avoidance of doubt, all the provisions set out in such sections are an integral part of how such Index is calculated and no calculation of such Index pursuant to any such provisions (including, but not limited to, any change in any Applicable Percentage or any operation of the provisions, if any, set out therein) will constitute an Index Modification as referred to above in Product Condition 4.1.3.2.1 or necessitate any determination by the Calculation Agent pursuant to this Product Condition 4.1.3.2.]

- 4.1.3.3. The Calculation Agent shall, as soon as practicable after receipt of any written request to do so, advise a Securityholder of any determination made by it pursuant to this Product Condition 4 which occurs on or before the date of receipt of such request. The Calculation Agent shall make available for inspection by Securityholders copies of any such determinations.]



## Clause 4 Adjustment Provisions : Indices, with Replacement Provision

### 4. Adjustment Provisions

*[If the definition of "Underlying" or "Basket" in Product Condition 1 includes an Index or Indices, which is or which are to be replaced under certain conditions, insert this section.]*

#### 4.1 Indices

*[If more than one Type of Underlying or Basket Constituent is set out in the definition of "Basket" or "Underlying" (a) the Product Condition 4 sections will need to be renumbered appropriately and (b) the following should be inserted:]*

This Product Condition 4.[1] and the definitions herein shall only apply in relation to any Index or Indices specified in Product Condition 1 in the column headed "Type of Basket Constituent" in the definition of "Basket", or in the column headed "Type of Underlying" in the definition of "Underlying", as the case may be. For any Underlying other than an Index or Indices which are specified in such column, other sections of this Product Condition 4, if and to the extent applicable, and the definitions therein shall apply.]

##### 4.1.1 Definitions:

"**Affiliate**" is as defined in Product Condition 1;

"**Index**" means (i) the or, as the case may be, each index specified in the definition of "Underlying" or "Basket", as the case may be, in Product Condition 1 (each a "**Principal Index**") and (ii) any index included in any Principal Index, or used for the calculation or determination of any Principal Index or any Index Constituent thereof (a "**Sub-Index**");

"**Index Constituent**" means any security or other asset or reference value (other than a Sub-Index) constituting an Index at a relevant time;

"**Index Sponsor**" means (i) in relation to a Principal Index, the sponsor specified for such Principal Index in the definition of "Underlying" or "Basket", as the case may be, in Product Condition 1 and (ii) in relation to a Sub-Index, the entity determined by the Calculation Agent to be principally responsible for the determination and publication of such Sub-Index, provided that, in either case all references to an Index Sponsor shall include any Successor Sponsor (as defined below);

"**Reference Currency**" (i) in relation to a Principal Index, is as defined in Product Condition 1 or, if not defined in Product Condition 1, is the Settlement Currency and (ii) in relation to an Index Constituent or a Sub-Index, is the currency in which the Index Constituent or Sub-Index is denominated or quoted or with which it is most closely connected, as determined by the Calculation Agent;

"**Reference Level**" is as defined in Product Condition 1;

"**Reference Source**" (i) in relation to a Principal Index, is as defined in Product Condition 1 and (ii) in relation to any Sub-Index or Index Constituent, is the reference source or reference sources determined by the Calculation Agent to be applicable to the valuation of such Sub-Index or such Index Constituent, as the case may be, for the purposes of determining the Reference Level;

**"Related Exchange"** means, unless otherwise defined in Product Condition 1, with respect to an Index or an Index Constituent, any exchange, trading system or quotation system on which options contracts or futures contracts on such Index or such Index Constituent are traded, as determined by the Calculation Agent;

**"Relevant Country"** means, each of:

- (i) any country (or any political or regulatory authority thereof) in which a Reference Currency or the Settlement Currency is the legal tender or currency; and
- (ii) any country (or any political or regulatory authority thereof) with which an Index or an Index Constituent has a material connection and, in determining what is material the Calculation Agent may, without limitation, refer to the country or countries in which the Index is calculated or published, the issuer of the Index Constituent is incorporated and/or such other factor(s) as it may deem appropriate,

all as determined by the Calculation Agent.

**"Relevant Time"** means, with respect to an Index or an Index Constituent, the relevant time by reference to which the relevant Index Sponsor determines the price or value of such Index or such Index Constituent for the purposes of determining the Reference Level; and

**"Settlement Currency"** is as defined in Product Condition 1.

#### 4.1.2 *Market Disruption*

The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 if a Market Disruption Event has occurred on any date with respect to which the Calculation Agent would, but for the occurrence of a Market Disruption Event, have been required by the Product Conditions to determine the level of an Index.

**"Market Disruption Event"** means:

*[If the Reference Source for any Index or Index Constituent is an exchange, a trading system or a quotation system insert:*

*[Insert the following three lines if section (ii) of Market Disruption Event definition is also used:*

- (i) where the Reference Source for an Index or an Index Constituent is an exchange, a trading system or a quotation system as determined by the Calculation Agent,]

4.1.2.1 the occurrence or existence on any Trading Day at the Relevant Time for such Index or such Index Constituent or at any time during the one hour period that ends at the Relevant Time for such Index or such Index Constituent:

- (A) of any suspension of or limitation imposed on trading (whether by reason of movements in price exceeding limits

permitted by any Reference Source or any Related Exchange or otherwise):

4.1.2.1.5 on any Reference Source as a whole; or

4.1.2.1.6 on any Related Exchange of any options contracts or futures contracts on or relating to any Index or any Index Constituent; or

4.1.2.1.7 on any exchange or trading system or quotation system on which an Index Constituent is listed or quoted of such Index Constituent; or

(B) of any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in relation to or to obtain market values for such Index or such Index Constituent on the relevant Reference Source or to effect transactions in or obtain market values for options contracts or futures contracts on or relating to such Index or such Index Constituent on any Related Exchange; or

4.1.2.3 the closure on any Trading Day of any Reference Source or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Source or such Related Exchange, as the case may be, at least one hour prior to (aa) the actual closing time for the regular trading session on such Reference Source or such Related Exchange on such Trading Day or, if earlier, (bb) the submission deadline (if applicable) for orders to be entered into such Reference Source or such Related Exchange system for execution at the Relevant Time on such Trading Day. A "**Scheduled Closing Time**" is the scheduled weekday closing time of the relevant Reference Source or Related Exchange, without regard to after hours or any other trading outside of the regular trading session hours; or

4.1.2.3 a general moratorium is declared in respect of banking activities in any Relevant Country; [or]

***[Insert if the Reference Source for any Index or Index Constituent is located in an Emerging Market Country]***

4.1.2.4 in relation to a Reference Currency for a Principal Index, a Sub-Index or an Index Constituent which is different from the Settlement Currency, the occurrence at any time of an event which the Calculation Agent determines would have the effect of preventing, restricting or delaying the Issuer and/or any of its Affiliates from:

(i) converting such Reference Currency into the Settlement Currency through customary legal channels or transferring within or from any Relevant Country either currency, due to the imposition by such Relevant Country of any controls

restricting or prohibiting such conversion or transfer, as the case may be;

- (ii) converting such Reference Currency into the Settlement Currency at a rate at least as favourable as the rate for domestic institutions located in any Relevant Country;
- (iii) delivering such Reference Currency or Settlement Currency from accounts inside any Relevant Country to accounts outside such Relevant Country; or
- (iv) transferring such Reference Currency or Settlement Currency between accounts inside any Relevant Country or to a party that is a non-resident of such Relevant Country; or

- 4.1.2.5 a Relevant Country (a) imposes any controls or announces its intention to impose any controls or (b)(i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer and/or any of its Affiliates' ability to acquire, hold, transfer or realise such Index Constituent or otherwise to effect transactions in relation to such Index,]

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities[; and/or]]

***[If the Reference Source for any Index or Index Constituent is not an exchange or trading system or a quotation system insert:***

***[Insert the following three lines if section (i) of Market Disruption Event definition is also used:***

- (ii) where the Reference Source for an Index or an Index Constituent is not an exchange, a trading system or a quotation system as determined by the Calculation Agent,]
  - (a) it is not possible, for reasons beyond the reasonable control of the Calculation Agent, to determine the price or value (or an element of such price or value) of such Index or Index Constituent by reference to such Reference Source in the manner specified in the definition of "Reference Level" in Product Condition 1 or in "Information relating to the Underlying", or otherwise according to the rules or normal or accepted procedures for the determination of such price or value (whether due to non-publication of such price or value or otherwise); or
  - (b) ***[if section (i) is included above, insert: any event occurs, as described in 4.1.2.3. [Insert if the Reference Source for any Index or Index Constituent is located in an Emerging Market Country:, 4.1.2.4.and/or 4.1.2.5] above in relation to any such Index or Index Constituent,] OR [if section (i) is not included above, insert 4.1.2.3, 4.1.2.4, and 4.1.2.5 here renumbered as 4.1.2.1, 4.1.2.2, and 4.1.2.3 respectively]***

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities.]

#### 4.1.3 Adjustments to the Index

The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 of any determination made by it pursuant to paragraph 4.1.3.1 or 4.1.3.2 below.

4.1.3.1 If an Index is:

4.1.3.1.3 not calculated and announced by the relevant Index Sponsor but is calculated and published by a successor sponsor (the "**Successor Sponsor**") acceptable to the Calculation Agent; or

4.1.3.1.4 replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Index,

then in each case that Index will be deemed to be the index so calculated and announced by such Successor Sponsor or that successor index, as the case may be.

4.1.3.2 If:

4.1.3.2.1 on or prior to any date with respect to which the Calculation Agent is required by the Product Conditions to determine the level of an Index, the relevant Index Sponsor or, if applicable, the Successor Sponsor (i) makes or announces that it will make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation and other routine events) (an "**Index Modification**") or (ii) permanently cancels that Index (an "**Index Cancellation**") or (iii) fails to calculate and announce that Index (an "**Index Disruption**") and, in each case, Product Condition 4.1.3.1.1 or 4.1.3.1.2 does not apply,

then the Calculation Agent shall substitute that Index (the "**Disrupted Index**") in the Basket with a Replacement Basket Constituent (as defined below) on the effective date of such event. Accordingly:

- (i.) the Replacement Basket Constituent and its sponsor will be deemed a "Basket Constituent" and a "Index Sponsor" respectively,
- (ii.) the Calculation Agent will adjust the Basket Constituent Level for such Replacement Basket Constituent so that the ratio of the Specified Spot Price for that Replacement Basket Constituent to the Basket Constituent Level for the Replacement Basket Constituent equals the ratio of the Specified Spot Price for the Disrupted Index to the Basket Constituent Level for the Disrupted Share immediately prior to the

occurrence of such event, and, if necessary, the Calculation Agent will adjust any other relevant terms accordingly;

“**Replacement Basket Constituent**” means, in the determination of the Calculation Agent in its sole discretion, the index [...] provided that such index is not an Index.

*[Insert for Deutsche Bank proprietary Index, if applicable:]*

Where provisions for the calculation of an Index are set out in "Information Relating to the Underlying Asset" attached hereto then, for the avoidance of doubt, all the provisions set out in such sections are an integral part of how such Index is calculated and no calculation of such Index pursuant to any such provisions (including, but not limited to, any change in any Applicable Percentage or any operation of the provisions, if any, set out therein) will constitute an Index Modification as referred to above in Product Condition 4.1.3.2.1 or necessitate any determination by the Calculation Agent pursuant to this Product Condition 4.1.3.2.]

4.1.3.3. The Calculation Agent shall, as soon as practicable after receipt of any written request to do so, advise a Securityholder of any determination made by it pursuant to this Product Condition 4 which occurs on or before the date of receipt of such request. The Calculation Agent shall make available for inspection by Securityholders copies of any such determinations.]

## Clause 4 Adjustment Provisions : Shares

### 4. Adjustment Provisions

*[If the definition of "Underlying" or "Basket" in Product Condition 1 includes a Share or Shares, insert this section:]*

#### 4.1 Shares

*[If more than one Type of Underlying or Basket Constituent is set out in the definition of "Basket" or "Underlying" (a) the Product Condition 4 sections will need to be renumbered appropriately and (b) the following should be inserted:]*

This Product Condition 4.[1] and the definitions herein shall only apply in relation to any Share or Shares specified in Product Condition 1 in the column headed "Type of Basket Constituent" in the definition of "Basket", or in the column headed "Type of Underlying" in the definition of "Underlying", as the case may be. For any Underlying other than a Share or Shares which are specified in such column, other sections of this Product Condition 4, if and to the extent applicable, and the definitions therein shall apply.]

##### 4.1.1 Definitions:

"**Affiliate**" is as defined in Product Condition 1;

"**Other Exchange**" means, with respect to a Share, each exchange, trading system or quotation system other than the Reference Source on which such Share is listed, traded or quoted;

"**Reference Currency**" is as defined in Product Condition 1 or, if not defined in Product Condition 1, is the Settlement Currency;

"**Reference Level**" is as defined in Product Condition 1;

"**Reference Source**" is as defined in Product Condition 1;

"**Related Exchange**" means, unless otherwise defined in Product Condition 1, with respect to a Share, any exchange, trading system or quotation system on which options contracts or futures contracts on such Share are traded as determined by the Calculation Agent;

"**Relevant Country**" means, each of:

- (i) any country (or any political or regulatory authority thereof) in which a Reference Currency or the Settlement Currency is the legal tender or currency; and
- (ii) any country (or any political or regulatory authority thereof) with which a Share or the related Share Company has a material connection and, in determining what is material the Calculation Agent may, without limitation, refer to the country in which the Share Company is incorporated and/or such other factor(s) as it may deem appropriate,

all as determined by the Calculation Agent.

**"Relevant Time"** means, with respect to any Share, the relevant time by reference to which the Calculation Agent determines the price or value of such Share for the purposes of determining the Reference Level;

**"Settlement Currency"** is as defined in Product Condition 1;

**"Share"** means the or, as the case may be, each share specified in the definition of "Underlying" or "Basket", as the case may be, in Product Condition 1; and

**"Share Company"** means, with respect to a Share, the issuer specified for such Share in the definition of "Underlying" or "Basket", as the case may be, in Product Condition 1.

#### 4.1.2 Market Disruption

The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 if a Market Disruption Event has occurred on any date with respect to which the Calculation Agent would, but for the occurrence of a Market Disruption Event, have been required by the Product Conditions to determine the price or value of a Share.

**"Market Disruption Event"** means:

*[If the Reference Source for any Share is an exchange, a trading system or a quotation system insert:*

*[Insert the following two lines if section (ii) of Market Disruption Event definition is also used:*

- (i) where the Reference Source for any Share is an exchange, a trading system or a quotation system as determined by the Calculation Agent,]

4.1.2.1 the occurrence or existence on any Trading Day at the Relevant Time for such Share or at any time during the one hour period that ends at the Relevant Time for such Share:

- (A) of any suspension of or limitation imposed on trading (whether by reason of movements in price exceeding limits permitted by the relevant Reference Source or any Related Exchange or otherwise):

4.1.2.1.1 of the Share on the Reference Source or any Other Exchange; or

4.1.2.1.2 in options contracts or futures contracts relating to the Share on any Related Exchange; or

- (B) of any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in relation to or to obtain market values for the Share on the relevant Reference Source or to effect transactions in or obtain market values for options contracts or futures contracts on or relating to such Share on any Related Exchange; or



- 4.1.2.2 the closure on any Trading Day of the Reference Source or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Source or such Related Exchange, as the case may be, at least one hour prior to (aa) the actual closing time for the regular trading session on such Reference Source or such Related Exchange on such Trading Day or, if earlier, (bb) the submission deadline (if applicable) for orders to be entered into the Reference Source or such Related Exchange system for execution at the Relevant Time on such Trading Day. A "**Scheduled Closing Time**" is the scheduled weekday closing time of the relevant Reference Source or Related Exchange, without regard to after hours or any other trading outside of the regular trading session hours; or
- 4.1.2.3 a general moratorium is declared in respect of banking activities in any Relevant Country; [or]

**[Insert if the Reference Source for any Share is located in an Emerging Market Country:]**

- 4.1.2.4 where the Reference Currency is different from the Settlement Currency, the occurrence at any time of an event which the Calculation Agent determines would have the effect of preventing, restricting or delaying the Issuer and/or any of its Affiliates from:
- (i) converting the Reference Currency into the Settlement Currency through customary legal channels or transferring within or from any Relevant Country either currency, due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;
  - (ii) converting the Reference Currency into the Settlement Currency at a rate at least as favourable as the rate for domestic institutions located in any Relevant Country;
  - (iii) delivering the Reference Currency or Settlement Currency from accounts inside any Relevant Country to accounts outside such Relevant Country; or
  - (iv) transferring the Reference Currency or Settlement Currency between accounts inside any Relevant Country or to a party that is a non-resident of such Relevant Country; [or]
- 4.1.2.5 a Relevant Country (a) imposes any controls or announces its intention to impose any controls or (b)(i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer and/or any of its Affiliates' ability to acquire, hold, transfer or realise such Share or otherwise to effect transactions in relation to such Share,

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such

circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities[; and/or]]

**[If the Reference Source for any Share is not an exchange or trading system or a quotation system insert:**

**[Insert the following two lines if section (i) of Market Disruption Event definition is also used:**

- (ii) where the Reference Source for any Share is not an exchange, a trading system or a quotation system as determined by the Calculation Agent,
  - (a) it is not possible, for reasons beyond the reasonable control of the Calculation Agent, to determine the price or value (or an element of such price or value) of such Share by reference to such Reference Source in the manner specified in the definition of "Reference Level" in Product Condition 1 or in "Information relating to the Underlying", or otherwise according to the rules or normal or accepted procedures for the determination of such price or value (whether due to non-publication of such price or value or otherwise); or
  - (b) **[if section (i) is included above, insert: any event occurs as described in 4.1.2.3 [Insert if the Reference Source for any Share is located in an Emerging Market Country; 4.1.2.4 and/or 4.1.2.5] above in relation to such Share.] OR [if section (i) is not included above, insert 4.1.2.3, 4.1.2.4 and 4.1.2.5 here renumbered as 4.1.2.1, 4.1.2.2 and 4.1.2.3 respectively]**

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities.]

#### 4.1.3 Potential Adjustment Events

Following the declaration by a Share Company of the terms of any Potential Adjustment Event, the Calculation Agent will determine whether such Potential Adjustment Event has a dilutive or concentrative or other effect on the theoretical value of the relevant Share and, if so, will (1) make the corresponding adjustment, if any, to any one or more of the Conditions as the Calculation Agent determines appropriate to account for that dilutive or concentrative or other effect; and (2) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by a Related Exchange to options contracts or futures contracts on the relevant Share traded on that Related Exchange.

Any adjustment or replacement made to account for a Potential Adjustment Event may take into account, as the Calculation Agent deems appropriate, any tax, duty, withholding, deduction or other charge whatsoever (including but not limited to a change in the tax consequences) for the Issuer and/or, if applicable, any Affiliate as a result of the Potential Adjustment Event. Such change in tax consequences may include, but are not limited to, any changes resulting from any hedging arrangements carried out by the Issuer and/or, if applicable, any Affiliate in relation to the Securities.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4, stating the

adjustment made to the Conditions and giving brief details of the Potential Adjustment Event.

**"Potential Adjustment Event"** means any of the following:

- 4.1.3.1 a subdivision, consolidation or reclassification of relevant Shares (unless it has resulted in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- 4.1.3.2 a distribution, issue or dividend to existing holders of the relevant Shares of (1) such Shares, or (2) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Company equally or proportionately with such payments to holders of such Shares, or (3) share capital or other securities of another issuer as a result of a "spin-off" or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or in other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- 4.1.3.3 an extraordinary dividend;
- 4.1.3.4 a call by the Share Company in respect of relevant Shares that are not fully paid;
- 4.1.3.5 a repurchase by or on behalf of the Share Company or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- 4.1.3.6 in respect of a Share Company, an event that results in any shareholder rights being distributed, or becoming separated from shares of common stock or other shares of the capital stock of such Share Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent;
- 4.1.3.7 any redemption of shareholder rights referred to in 4.1.3.6 above; and
- 4.1.3.8 any other event that may have a diluting or concentrative or other effect on the theoretical value of the relevant Shares.

#### 4.1.4. *Merger Event, Tender Offer, De-Listing, Nationalisation and Insolvency*

If a Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency occurs in relation to relevant Shares and/or the relevant Share Company, as the case may be, the Issuer may take any action described in 4.1.4.1, 4.1.4.2 or 4.1.4.3 below:

- 4.1.4.1 require the Calculation Agent to determine the appropriate adjustment, if any, to be made to any one or more of the Conditions to account for the Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency, as the case may be, and determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency made by an Related Exchange to options contracts or futures contracts on the Share

traded on that Related Exchange any adjustment or replacement made to account for a Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency may take into account, as the Calculation Agent deems appropriate, any tax, duty, withholding, deduction or other change whatsoever (including but not limited to a change in the tax consequences) for the Issuer and/or, if applicable, any Affiliates as a result of the Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency. Such change in tax consequences may include, but are not limited to any changes resulting from any hedging arrangements carried out by the Issuer and/or, if applicable, any Affiliate in relation to these Securities; or

- 4.1.4.2 cancel the Securities by giving notice to Securityholders in accordance with General Condition 4. If the Securities are so cancelled, the Issuer will pay an amount to each Securityholder in respect of each Security held by such Securityholder which amount shall be the fair market value of a Security taking into account the Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency, as the case may be, less the cost to the Issuer and/or any of its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its reasonable discretion. Payment will be made in such manner as shall be notified to the Securityholders in accordance with General Condition 4; or
- 4.1.4.3 following any adjustment to the settlement terms of options on the Shares traded on such exchange(s) or trading system(s) or quotation system(s) as the Calculation Agent in its reasonable discretion shall determine (the "**Options Reference Source**") require the Calculation Agent to make a corresponding adjustment to any one or more of the Conditions, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Reference Source. If options on the Shares are not traded on the Options Reference Source, the Calculation Agent will make such adjustment, if any, to any one or more of the Conditions as the Calculation Agent determines appropriate, with reference to the rules and precedents (if any) set by the Options Reference Source, to account for the Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency, as the case may be, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Reference Source if such options were so traded.

Upon the occurrence of a Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 stating the occurrence of the Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. However, Securityholders should be aware that there may necessarily be some delay between the time at which any of the above events occurs and the time at which it is reported to Securityholders.

**"De-Listing"** means, for any Share for which the Reference Source is an exchange or a trading system or a quotation system, the Reference Source announces that pursuant to the rules of such Reference Source, such Share ceases (or will cease) to be listed, traded or publicly quoted on the Reference Source for any reason (other than a Merger Event or Tender Offer) and is not immediately re-listed, re-traded or re-

quoted on an exchange, trading system or quotation system acceptable to the Calculation Agent.

**"Insolvency"** means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Share Company (A) all the Shares of that Share Company are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Shares of that Share Company become legally prohibited from transferring them.

**"Merger Date"** means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

**"Merger Event"** means, in respect of any relevant Shares, any (i) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Share Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Company is the continuing entity and which does not result in reclassification or change of all of such Shares outstanding), (iii) takeover offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Share Company that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Share Company or its subsidiaries with or into another entity in which the Share Company is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event, in each case if the Merger Date is on or before the Valuation Date or, if there is more than one Valuation Date, the final Valuation Date.

**"Nationalisation"** means that all the Shares or all or substantially all of the assets of a Share Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

**"Tender Offer"** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Share Company, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.]

## Clause 4 Adjustment Provisions : Shares, with Replacement Provision

### 4. Adjustment Provisions

*[If the definition of "Underlying" or "Basket" in Product Condition 1 includes a Share or Shares, which is or which are to be replaced under certain conditions, insert this section:]*

#### 4.1 Shares

*[If more than one Type of Underlying or Basket Constituent is set out in the definition of "Basket" or "Underlying" (a) the Product Condition 4 sections will need to be renumbered appropriately and (b) the following should be inserted:]*

This Product Condition 4.[1] and the definitions herein shall only apply in relation to any Share or Shares specified in Product Condition 1 in the column headed "Type of Basket Constituent" in the definition of "Basket", or in the column headed "Type of Underlying" in the definition of "Underlying", as the case may be. For any Underlying other than a Share or Shares which are specified in such column, other sections of this Product Condition 4, if and to the extent applicable, and the definitions therein shall apply.]

##### 4.1.1 Definitions:

"**Affiliate**" is as defined in Product Condition 1;

"**Other Exchange**" means, with respect to a Share, each exchange, trading system or quotation system other than the Reference Source on which such Share is listed, traded or quoted;

"**Reference Currency**" is as defined in Product Condition 1 or, if not defined in Product Condition 1, is the Settlement Currency;

"**Reference Level**" is as defined in Product Condition 1;

"**Reference Source**" is as defined in Product Condition 1;

"**Related Exchange**" means, unless otherwise defined in Product Condition 1, with respect to a Share, any exchange, trading system or quotation system on which options contracts or futures contracts on such Share are traded as determined by the Calculation Agent;

"**Relevant Country**" means, each of:

- (i) any country (or any political or regulatory authority thereof) in which a Reference Currency or the Settlement Currency is the legal tender or currency; and
- (ii) any country (or any political or regulatory authority thereof) with which a Share or the related Share Company has a material connection and, in determining what is material the Calculation Agent may, without limitation, refer to the country in which the Share Company is incorporated and/or such other factor(s) as it may deem appropriate,

all as determined by the Calculation Agent.

**"Relevant Time"** means, with respect to any Share, the relevant time by reference to which the Calculation Agent determines the price or value of such Share for the purposes of determining the Reference Level;

**"Settlement Currency"** is as defined in Product Condition 1;

**"Share"** means the or, as the case may be, each share specified in the definition of "Underlying" or "Basket", as the case may be, in Product Condition 1; and

**"Share Company"** means, with respect to a Share, the issuer specified for such Share in the definition of "Underlying" or "Basket", as the case may be, in Product Condition 1.

#### 4.1.2 *Market Disruption*

The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 if a Market Disruption Event has occurred on any date with respect to which the Calculation Agent would, but for the occurrence of a Market Disruption Event, have been required by the Product Conditions to determine the price or value of a Share.

**"Market Disruption Event"** means:

*[If the Reference Source for any Share is an exchange, a trading system or a quotation system insert:*

*[Insert the following two lines if section (ii) of Market Disruption Event definition is also used:*

(i) where the Reference Source for any Share is an exchange, a trading system or a quotation system as determined by the Calculation Agent,]

4.1.2.1 the occurrence or existence on any Trading Day at the Relevant Time for such Share or at any time during the one hour period that ends at the Relevant Time for such Share:

(B) of any suspension of or limitation imposed on trading (whether by reason of movements in price exceeding limits permitted by the relevant Reference Source or any Related Exchange or otherwise):

4.1.2.1.1 of the Share on the Reference Source or any Other Exchange; or

4.1.2.1.2 in options contracts or futures contracts relating to the Share on any Related Exchange; or

(B) of any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in relation to or to obtain market values for the Share on the relevant Reference Source or to effect transactions in or obtain market values for options contracts or futures contracts on or relating to such Share on any Related Exchange; or

- 4.1.2.2 the closure on any Trading Day of the Reference Source or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Source or such Related Exchange, as the case may be, at least one hour prior to (aa) the actual closing time for the regular trading session on such Reference Source or such Related Exchange on such Trading Day or, if earlier, (bb) the submission deadline (if applicable) for orders to be entered into the Reference Source or such Related Exchange system for execution at the Relevant Time on such Trading Day. A "**Scheduled Closing Time**" is the scheduled weekday closing time of the relevant Reference Source or Related Exchange, without regard to after hours or any other trading outside of the regular trading session hours; or
- 4.1.2.3 a general moratorium is declared in respect of banking activities in any Relevant Country; [or]

*[Insert if the Reference Source for any Share is located in an Emerging Market Country:]*

- 4.1.2.4 where the Reference Currency is different from the Settlement Currency, the occurrence at any time of an event which the Calculation Agent determines would have the effect of preventing, restricting or delaying the Issuer and/or any of its Affiliates from:
- (i) converting the Reference Currency into the Settlement Currency through customary legal channels or transferring within or from any Relevant Country either currency, due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;
  - (ii) converting the Reference Currency into the Settlement Currency at a rate at least as favourable as the rate for domestic institutions located in any Relevant Country;
  - (iii) delivering the Reference Currency or Settlement Currency from accounts inside any Relevant Country to accounts outside such Relevant Country; or
  - (iv) transferring the Reference Currency or Settlement Currency between accounts inside any Relevant Country or to a party that is a non-resident of such Relevant Country; or
- 4.1.2.5 a Relevant Country (a) imposes any controls or announces its intention to impose any controls or (b)(i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer and/or any of its Affiliates' ability to acquire, hold, transfer or realise such Share or otherwise to effect transactions in relation to such Share,]



if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities[; and/or]]

**[If the Reference Source for any Share is not an exchange or trading system or a quotation system insert:**

**[Insert the following two lines if section (i) of Market Disruption Event definition is also used:**

- (ii) where the Reference Source for any Share is not an exchange, a trading system or a quotation system as determined by the Calculation Agent,
  - (a) it is not possible, for reasons beyond the reasonable control of the Calculation Agent, to determine the price or value (or an element of such price or value) of such Share by reference to such Reference Source in the manner specified in the definition of "Reference Level" in Product Condition 1 or in "Information relating to the Underlying", or otherwise according to the rules or normal or accepted procedures for the determination of such price or value (whether due to non-publication of such price or value or otherwise); or
  - (b) **[if section (i) is included above, insert:** any event occurs as described in 4.1.2.3 **[Insert if the Reference Source for any Share is located in an Emerging Market Country;** 4.1.2.4 and/or 4.1.2.5] above in relation to such Share,] **OR [if section (i) is not included above, insert 4.1.2.3, 4.1.2.4 and 4.1.2.5 here renumbered as 4.1.2.1, 4.1.2.2 and 4.1.2.3 respectively]**

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities.]

#### 4.1.3 Potential Adjustment Events

Following the declaration by a Share Company of the terms of any Potential Adjustment Event, the Calculation Agent will determine whether such Potential Adjustment Event has a dilutive or concentrative or other effect on the theoretical value of the relevant Share and, if so, will (1) make the corresponding adjustment, if any, to any one or more of the Conditions as the Calculation Agent determines appropriate to account for that dilutive or concentrative or other effect; and (2) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by a Related Exchange to options contracts or futures contracts on the relevant Share traded on that Related Exchange.

Any adjustment or replacement made to account for a Potential Adjustment Event may take into account, as the Calculation Agent deems appropriate, any tax, duty, withholding, deduction or other change whatsoever (including but not limited to a change in the tax consequences) for the Issuer and/or, if applicable, any Affiliate as a result of the Potential Adjustment Event. Such change in tax consequences may include, but are not limited to, any changes resulting from any hedging arrangements carried out by the Issuer and/or, if applicable, any Affiliate in relation to the Securities. Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4, stating the

adjustment made to the Conditions and giving brief details of the Potential Adjustment Event.

**"Potential Adjustment Event"** means any of the following:

- 4.1.3.1 a subdivision, consolidation or reclassification of relevant Shares (unless it has resulted in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- 4.1.3.2 a distribution, issue or dividend to existing holders of the relevant Shares of (1) such Shares, or (2) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Company equally or proportionately with such payments to holders of such Shares, or (3) share capital or other securities of another issuer as a result of a "spin-off" or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or in other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- 4.1.3.3 an extraordinary dividend;
- 4.1.3.4 a call by the Share Company in respect of relevant Shares that are not fully paid;
- 4.1.3.5 a repurchase by or on behalf of the Share Company or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- 4.1.3.6 in respect of a Share Company, an event that results in any shareholder rights being distributed, or becoming separated from shares of common stock or other shares of the capital stock of such Share Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent;
- 4.1.3.7 any redemption of shareholder rights referred to in 4.1.3.6 above; and
- 4.1.3.8 any other event that may have a diluting or concentrative or other effect on the theoretical value of the relevant Shares.

**4.1.4. Merger Event, Tender Offer, De-Listing, Nationalisation and Insolvency**

If a De-Listing occurs in relation to a Share (such Share being a **"Disrupted Share"**), the Calculation Agent shall substitute the Disrupted Share in the Basket with a Replacement Basket Constituent (as defined below) on the effective date for such De-Listing (the **"De-Listing Date"**), whereupon:

- (i.) the Replacement Basket Constituent and its issuer will be deemed a "Basket Constituent" and a "Share Company" respectively,
- (ii.) the Calculation Agent will adjust the Basket Constituent Level for such Replacement Basket Constituent so that the ratio of the Specified Spot Price for that Replacement Basket Constituent to the Basket Constituent Level for the Replacement Basket Constituent equals the ratio of the Specified Spot

Price for the Disrupted Share to the Basket Constituent Level for the Disrupted Share immediately prior to the De-Listing Date, and

- (iii.) if necessary, the Calculation Agent will adjust any other relevant terms accordingly.

If a Share-for-Share Merger Event or a Share-for-Combined Merger Event occurs in relation to a Share (such Share being a “**Disrupted Share**”) and the Issuer of the New Basket Constituents is not already a Share Company, then, on or after the relevant Merger Date, the Calculation Agent shall adjust the Basket to include the relevant quantity of the New Basket Constituents to which a holder of the Share immediately prior to the occurrence of the Merger Event would be entitled upon consummation of the Merger Event. Accordingly:

- (i.) the New Basket Constituent and its issuer will be deemed a "Basket Constituent" and a "Share Company" respectively
- (ii.) the Calculation Agent will adjust the Basket Constituent Level for such New Basket Constituent so that the ratio of the Specified Spot Price for that New Basket Constituent to the Basket Constituent Level for the New Basket Constituent equals the ratio of the Specified Spot Price for the Disrupted Share to the Basket Constituent Level for the Disrupted Share immediately prior to the occurrence of the Merger Event, and
- (iii.) if necessary, the Calculation Agent will adjust any other relevant terms accordingly.

If a Share-for-Other Merger Event, or a Share-for-Share Merger Event or a Share-for-Combined Merger Event where the issuer of the New Basket Constituents is a Share Company, occurs in relation to a Share (such Share being a “**Disrupted Share**”), then, on or after the relevant Merger Date, the Calculation Agent shall adjust the Basket by substituting the Disrupted Share in the Basket with a Replacement Share (as defined below) upon consummation of the Merger Event. Accordingly:

- (i.) the Replacement Basket Constituent and its issuer will be deemed a "Basket Constituent" and a "Share Company" respectively,
- (ii.) the Calculation Agent will adjust the Basket Constituent Level for such Replacement Basket Constituent so that the ratio of the Specified Spot Price for that Replacement Basket Constituent to the Basket Constituent Level for the Replacement Basket Constituent equals the ratio of the Specified Spot Price for the Disrupted Share to the Basket Constituent Level for the Disrupted Share immediately prior to the occurrence of the Merger Event, and
- (iii.) if necessary, the Calculation Agent will adjust any other relevant terms accordingly;

If a Nationalisation or Insolvency occurs in relation to a Share (such Share being a “**Disrupted Share**”), the Calculation Agent shall substitute the Disrupted Share in the Basket with a Replacement Basket Constituent (as defined below) on the effective date of such event. Accordingly:

- (iii.) the Replacement Basket Constituent and its issuer will be deemed a "Basket Constituent" and a "Share Company" respectively,
- (iv.) the Calculation Agent will adjust the Basket Constituent Level for such Replacement Basket Constituent so that the ratio of the Specified Spot Price for that Replacement Basket Constituent to the Basket Constituent Level for the Replacement Basket Constituent equals the ratio of the Specified Spot Price for the Disrupted Share to the Basket Constituent Level for the Disrupted

Share immediately prior to the occurrence of such event, and, if necessary, the Calculation Agent will adjust any other relevant terms accordingly;

Upon the occurrence of a Merger Event, De-Listing, Nationalisation or Insolvency, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 stating the occurrence of the Merger Event, De-Listing, Nationalisation or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. However, Securityholders should be aware that there may necessarily be some delay between the time at which any of the above events occur and the time at which it is notified to Securityholders.

**“Replacement Basket Constituent”** means[, in the determination of the Calculation Agent in its sole discretion, the share with the highest free-float capitalisation in the same Industry Sector and the same Region as that of the Disrupted Share on the De-Listing Date or the Merger Date or the relevant effective date, as applicable, such free-float capitalisation as announced by the Morgan Stanley Capital Index (“**MSCI**”), provided that such share is not a Share.] [●]

**“Industry Sector”** means, in respect of a Share, the industry sector allocated to such share by MSCI and as set out for that Share under the definition of Basket in the column headed “MSCI Industry Sector” and, in respect of a Replacement Basket Constituent, the industry sector allocated to such Replacement Basket Constituent by MSCI.] [●]

**“Region”** means, in respect of a Share, the region (either “**USA**”, “**Europe**”, “**Asia**” or “**Japan**”) in which the Share Company is incorporated and as set out for that Share under the definition of Basket in the column headed “Region” and, in respect of a Replacement Basket Constituent, the region (either “**USA**”, “**Europe**”, “**Asia**” or “**Japan**”) in which the issuer of such Replacement Basket Constituent is incorporated.] [●]

**“De-Listing”** means, for any Share for which the Reference Source is an exchange or a trading system or a quotation system, the Reference Source announces that pursuant to the rules of such Reference Source, such Share ceases (or will cease) to be listed, traded or publicly quoted on the Reference Source for any reason (other than a Merger Event or Tender Offer) and is not immediately re-listed, re-traded or re-quoted on an exchange, trading system or quotation system acceptable to the Calculation Agent.

**“Insolvency”** means, in relation to a Share, that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Share Company (A) all the Shares of that Share Company are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Shares of that Share Company become legally prohibited from transferring them.

**“Merger Date”** means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

**“Merger Event”** means, in relation to a Share, any (i) reclassification of or change to such Share that results in a transfer of or an irrevocable commitment to transfer all holdings of such Share outstanding, (ii) consolidation, amalgamation or merger of the relevant Share Company with or into another entity (other than a consolidation, amalgamation or merger in which such Share Company is the continuing entity and which does not result in a reclassification of or change to such Share) or (iii) other takeover offer for the relevant Share Company that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than holdings of such

Share owned or controlled by the offeror), in each case if the Merger Date is on or before the final Valuation Date

In respect of each Merger Event, the following terms have the meanings given below:

- (i) **"Share-for-Share"** means, in respect of a Merger Event, that the consideration for the relevant Share consists (or, at the option of the holder of such Shares, may consist) solely of New Basket Constituents;
- (ii) **"Share-for-Other"** means, in respect of a Merger Event, that the consideration for the relevant Share consists solely of Other Consideration;
- (iii) **"Share-for-Combined"** means, in respect of a Merger Event, that the consideration for the relevant Share consists of Combined Consideration;
- (iv) **"New Basket Constituent"** means the share offered (whether those of the offeror or of a third party);
- (v) **"Other Consideration"** means cash and/or any securities (other than New Basket Constituents) or assets (whether those of the offer or of a third party); and
- (vi) **"Combined Consideration"** means New Basket Constituents in combination with Other Consideration.

**"Nationalisation"** means that all holdings of the Share or all the assets or substantially all the assets of a Share Company (other than holdings of such Share owned or controlled by a governmental agency, authority or entity) are nationalised, expropriated or are otherwise required to be transferred to any such governmental agency, authority or entity.]

## Clause 4 Adjustment Provisions : Other Securities

### 4. Adjustment Provisions

*[If the definition of "Underlying" or "Basket" in Product Condition 1 includes an Other Security or Other Securities in Product Condition 1 specifies that an Other Security shall be delivered, insert this section:]*

#### 4.1 Other Securities

*[If more than one Type of Underlying or Basket Constituent is set out in the definition of "Basket" or "Underlying" in Product Condition 1 specifies that an Other Security shall be delivered (a) the Product Condition 4 sections will need to be renumbered appropriately and (b) the following should be inserted:]*

This Product Condition 4.[1] and the definitions herein shall only apply in relation to any Other Security or Other Securities specified in Product Condition 1 in the column headed "Type of Basket Constituent" in the definition of "Basket" or in the column headed "Type of Underlying" in the definition of "Underlying", as the case may be. For any Underlying other than an Other Security or Other Securities which are specified in such column, or other than a security or securities specified under such definition, other sections of this Product Condition 4, if and to the extent applicable, and the definitions therein shall apply.]

##### 4.1.1 Definitions:

"**Affiliate**" is as defined in Product Condition 1;

"**Other Exchange**" means, with respect to an Other Security, each exchange, trading system or quotation system other than the Reference Source on which such Other Security is listed, traded or quoted;

"**Other Security**" means the or, as the case may be, each other security specified in the definition of "Underlying" or "Basket", as the case may be, in Product Condition 1;

"**Reference Currency**" is as defined in Product Condition 1 or, if not defined in Product Condition 1, is the Settlement Currency;

"**Reference Issuer**" means, unless otherwise defined in Product Condition 1, with respect to an Other Security, the entity specified as the issuer of such Other Security in the definition of "Underlying", "Securities" or "Basket", as the case may be, in Product Condition 1.

"**Reference Level**" is as defined in Product Condition 1;

"**Reference Source**" is as defined in Product Condition 1;

"**Related Exchange**" means, with respect to an Other Security, any exchange, trading system or quotation system on which options contracts or futures contracts on such Other Security are traded as determined by the Calculation Agent;

"**Relevant Country**" means, each of:

- (i) any country (or any political or regulatory authority thereof) in which a Reference Currency or the Settlement Currency is the legal tender or currency; and
- (ii) any country (or any political or regulatory authority thereof) with which an Other Security or the related Reference Issuer has a material connection and, in determining what is material the Calculation Agent may, without limitation, refer to the country in which the Reference Issuer is incorporated or organised and/or such other factor(s) as it may deem appropriate,

all as determined by the Calculation Agent;

**"Relevant Time"** means, with respect to any Other Security, the relevant time by reference to which the Calculation Agent determines the price or value of such Other Security for the purposes of determining the Reference Level; and

**"Settlement Currency"** is as defined in Product Condition 1.

#### 4.1.2 Market Disruption

The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 if a Market Disruption Event has occurred on any date with respect to which the Calculation Agent would, but for the occurrence of a Market Disruption Event, have been required by the Product Conditions to determine the price or value of an Other Security.

**"Market Disruption Event"** means:

*[If the Reference Source for any Other Security is an exchange, a trading system or a quotation system insert:*

*[Insert the following two lines if section (ii) of Market Disruption Event definition is also used:*

- (i) where the Reference Source for any Other Security is an exchange, a trading system or a quotation system as determined by the Calculation Agent,]

4.1.2.1 the occurrence or existence on any Trading Day at the Relevant Time for such Other Security or at any time during the one hour period that ends at the Relevant Time for such Other Security:

- (C) of any suspension of or limitation imposed on trading (whether by reason of movements in price exceeding limits permitted by the relevant Reference Source or any Related Exchange or otherwise):

4.1.2.1.1 of the Other Security on the Reference Source or any Other Exchange; or

4.1.2.1.2 in options contracts or futures contracts relating to the Other Security on any Related Exchange; or

- (B) of any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in relation to or to obtain market values for Other Security on the relevant Reference

Source or to effect transactions in or obtain market values for options contracts or futures contracts on or relating to such Other Security on any Related Exchange; or

- 4.1.2.2 the closure on any Trading Day of the Reference Source or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Source or such Related Exchange, as the case may be, at least one hour prior to (aa) the actual closing time for the regular trading session on such Reference Source or such Related Exchange on such Trading Day or, if earlier, (bb) the submission deadline (if applicable) for orders to be entered into the Reference Source or such Related Exchange system for execution at the Relevant Time on such Trading Day. A "**Scheduled Closing Time**" is the scheduled weekday closing time of the relevant Reference Source or Related Exchange, without regard to after hours or any other trading outside of the regular trading session hours; or
- 4.1.2.3 a general moratorium is declared in respect of banking activities in any Relevant Country; [or]

*[Insert if the Reference Source for any Other Security is located in an Emerging Market Country:]*

- 4.1.2.4 where the Reference Currency is different from the Settlement Currency, the occurrence at any time of an event which the Calculation Agent determines would have the effect of preventing, restricting or delaying the Issuer and/or any of its Affiliates from:
- (i) converting the Reference Currency into the Settlement Currency through customary legal channels or transferring within or from any Relevant Country either currency, due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;
  - (ii) converting the Reference Currency into the Settlement Currency at a rate at least as favourable as the rate for domestic institutions located in any Relevant Country;
  - (iii) delivering the Reference Currency or Settlement Currency from accounts inside any Relevant Country to accounts outside such Relevant Country; or
  - (iv) transferring the Reference Currency or Settlement Currency between accounts inside any Relevant Country or to a party that is a non-resident of such Relevant Country; [or]
- 4.1.2.5 a Relevant Country (a) imposes any controls or announces its intention to impose any controls or (b)(i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer and/or any of its Affiliates' ability to



acquire, hold, transfer or realise such Other Security or otherwise to effect transactions in relation to such Other Security,

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities[; and/or]]

**[If the Reference Source for any Other Security is not an exchange or trading system or a quotation system insert:**

**[Insert the following three lines if section (i) of Market Disruption Event definition is also used:]**

- (ii) where the Reference Source for any Other Security is not an exchange, a trading system or a quotation system as determined by the Calculation Agent,
  - (a) it is not possible, for reasons beyond the reasonable control of the Calculation Agent, to determine the price or value (or an element of such price or value) of such Other Security by reference to such Reference Source in the manner specified in the definition of "Reference Level" in Product Condition 1 or in "Information relating to the Underlying", or otherwise according to the rules or normal or accepted procedures for the determination of such price or value (whether due to non-publication of such price or value or otherwise); or
  - (b) **[if section (i) is included above, insert:** any event occurs as described in 4.1.2.3 **[Insert if the Reference Source for any Other Security is located in an Emerging Market Country:**, 4.1.2.4 and 4.1.2.5] above in relation to such Other Security,**] OR [if section (i) is not included above, insert 4.1.2.3, 4.1.2.4 and 4.1.2.5 here renumbered as 4.1.2.1, 4.1.2.2 and 4.1.2.3 respectively]**

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities.]

#### 4.1.3 Potential Adjustment Events

If a Potential Adjustment Event occurs or has occurred, the Calculation Agent shall (1) determine the appropriate adjustment, if any, to any one or more of the Conditions; and (2) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by a Related Exchange to options contracts or futures contracts on the relevant Other Security traded on that Related Exchange.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4, stating the adjustment made to the Conditions and giving brief details of the Potential Adjustment Event.

**"Potential Adjustment Event"** means, unless such event is a De-Listing, an Insolvency or a Termination, (a) the Reference Issuer amends the terms and conditions of the Other Securities or irreversibly converts the Other Securities into

other securities and/or (b) the aggregate amounts due under the Other Securities are altered (other than due to any scheduled redemption, amortisation or prepayment).

#### 4.1.4. De-Listing and Termination

If a De-Listing, Insolvency or Termination occurs in relation to relevant Other Securities or the related Reference Issuer, the Issuer may take any action described in 4.1.4.1, 4.1.4.2 or 4.1.4.3 below:

- 4.1.4.1 require the Calculation Agent to determine the appropriate adjustment, if any, to be made to any one or more of the Conditions to account for the De-Listing, Insolvency or Termination, as the case may be and determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the De-Listing, Insolvency or Termination, as the case may be, made by an options exchange to options on the Other Security traded on that options exchange; or
- 4.1.4.2 cancel the Securities by giving notice to Securityholders in accordance with General Condition 4. If the Securities are so cancelled, the Issuer will pay an amount to each Securityholder in respect of each Security held by such Securityholder which amount shall be the fair market value of a Security taking into account the De-Listing, Insolvency or Termination, as the case may be, less the cost to the Issuer and/or any of its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its reasonable discretion. Payment will be made in such manner as shall be notified to the Securityholders in accordance with General Condition 4; or
- 4.1.4.3 following any adjustment to the settlement terms of options on the Other Securities traded on such exchange(s) or trading system(s) or quotation system(s) as the Calculation Agent in its reasonable discretion shall select (the "**Options Reference Source**") require the Calculation Agent to make a corresponding adjustment to any one or more of the Conditions, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Reference Source. If options on the Other Securities are not traded on the Options Reference Source, the Calculation Agent will make such adjustment, if any, to any one or more of the Conditions as the Calculation Agent determines appropriate, with reference to the rules and precedents (if any) set by the Options Reference Source, to account for the De-Listing, Insolvency or Termination, as the case may be, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Reference Source if such options were so traded.

As used herein:

**"De-Listing"** means, for any Other Security for which the Reference Source is an exchange, a trading system or a quotation system, the Reference Source announces that pursuant to the rules of such Reference Source, such Other Security ceases (or will cease) to be listed, traded or publicly quoted on the Reference Source for any reason and is not immediately re-listed, re-traded or re-quoted on an exchange, trading system or quotation system acceptable to the Calculation Agent;

**"Insolvency"** means the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution, winding-up or other cessation of trading or any analogous proceeding in relation to a Reference Issuer; and

**"Termination"** means, in relation to an issue of Other Securities, such issue has been terminated, cancelled or otherwise ceased to be outstanding for any reason.]

## Clause 4 Adjustment Provisions : Fund Shares

### 4. Adjustment Provisions

*[If the definition of "Underlying" or "Basket" in Product Condition 1 includes a Fund Share or Fund Shares, insert this section:]*

#### 4.1 Fund Shares

*[If more than one Type of Underlying or Basket Constituent is set out in the definition of "Basket" or "Underlying" (a) the Product Condition 4 sections will need to be renumbered appropriately and (b) the following should be inserted:]*

This Product Condition 4.[1] and the definitions herein shall only apply in relation to any Fund Share or Fund Shares specified in Product Condition 1 in the column headed "Type of Basket Constituent" in the definition of "Basket", or in the column headed "Type of Underlying" in the definition of "Underlying", as the case may be. For any Underlying other than a Fund Share or Fund Shares which are specified in such column, other sections of this Product Condition 4, if and to the extent applicable, and the definitions therein shall apply.]

##### 4.1.1 Definitions:

**"Administrator"** means, in relation to a Fund, any entity described as such in relation to the Fund in any Fund Information Document or which provides administrative, book-keeping or similar services (however described) to the Fund, all as determined by the Calculation Agent;

**"Affiliate"** is as defined in Product Condition 1;

**"Fund"** means, with respect to a Fund Share, the issuer specified for such Fund Share in the definition of "Underlying", in Product Condition 1;

**"Fund Information Document"** means, in relation to a Fund and a Fund Share, any Prospectus, prospectus, information memorandum or similar document relating to the Fund and/or the Fund Share (including any document supplementing, amending or restating the same), all as determined by the Calculation Agent;

**"Fund Share"** means the or, as the case may be, each fund share or unit specified in the definition of "Underlying" in Product Condition 1;

**"Inclusion Date"** means, in relation to a Fund which is a Fund as of the Issue Date, the Issue Date, or, in relation to any other Fund, the date that such Fund became a Fund for the purposes of the Securities;

**"Manager"** means, in relation to a Fund, any entity described as such in relation to the Fund in any relevant Fund Information Document or which provides investment, managerial, broking or arrangement or similar services (however described) to the Fund, all as determined by the Calculation Agent;

**"Master Fund"** means, in relation to a Fund, any entity described as such in relation to the Fund in any relevant Fund Information Document or which acts as a master fund, feeder fund or umbrella fund or similar entity (however described) in relation to the Fund, all as determined by the Calculation Agent;

**"Net Asset Value"** means, in relation to a Fund Share, the net asset value or other equivalent value for such Fund Share as determined by the Calculation Agent;

**"Other Exchange"** means, with respect to a Fund Share, each exchange, trading system or quotation system other than the Reference Source on which such Fund Share is listed, traded or quoted;

**"Realisation Date"** means, for the purposes of substituting any Fund Share pursuant to Product Condition 4.1.3:

**[Insert one of the following options:**

[(i) the fifth Trading Day following the Substitution Determination Date or, if earlier,

(ii) the **[Insert number]** Trading Day prior to any date falling [on or] after the Substitution Determination Date on which the Calculation Agent would be required by the Product Conditions to determine the price or value of such Fund Shares;]

[the earliest of

(i) the date on which the Calculation Agent determines that a market counterparty holding the Fund Shares to be substituted (including the Issuer or any Affiliate, if applicable) would be able to reasonably liquidate, redeem or otherwise dispose of such Fund Shares;

(ii) the date falling one year after the Substitution Determination Date; and

(iii) the **[Insert number]** Trading Day prior to any date falling [on or] after the Substitution Determination Date on which the Calculation Agent would be required by the Product Conditions to determine the price or value of such Fund Shares;]

**"Reference Currency"** is as defined in Product Condition 1 or, if not defined in Product Condition 1, is the Settlement Currency;

**"Reference Level"** is as defined in Product Condition 1;

**"Reference Source"** is as defined in Product Condition 1;

**"Related Exchange"** means, unless otherwise defined in Product Condition 1, with respect to a Fund Share, any exchange, trading system or quotation system on which options contracts or futures contracts on such Fund Share are traded as determined by the Calculation Agent;

**"Relevant Country"** means, each of:

(i) any country (or any political or regulatory authority thereof) in which a Reference Currency or the Settlement Currency is the legal tender or currency; and

(ii) any country (or any political or regulatory authority thereof) with which a Fund Share or the related Fund has a material connection and, in determining what is material the Calculation Agent may, without limitation, refer to the country in which the Fund is incorporated or organised and/or such other factor(s) as it may deem appropriate,

all as determined by the Calculation Agent;

**"Relevant Time"** means, with respect to any Fund Share, the relevant time by reference to which the Calculation Agent determines the price or value of such Fund Share for the purposes of determining the Reference Level;

**"Settlement Currency"** is as defined in Product Condition 1; and

**"Substitution Determination Date"** is as defined in Product Condition 4.1.3 below.

#### 4.1.2 *Market Disruption*

The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 if a Market Disruption Event has occurred on any date with respect to which the Calculation Agent would, but for the occurrence of a Market Disruption Event, have been required by the Product Conditions to determine the price or value of a Fund Share.

**"Market Disruption Event"** means:

*[If the Reference Source for any Fund Share is an exchange, a trading system or a quotation system insert:*

*[Insert the following two lines if section (ii) of Market Disruption Event definition is also used:*

(i) where the Reference Source for any Fund Share is an exchange, a trading system or a quotation system as determined by the Calculation Agent,]

4.1.2.1 the occurrence or existence on any Trading Day at the Relevant Time for such Fund Share or at any time during the one hour period that ends at the Relevant Time for such Fund Share:

(D) of any suspension of or limitation imposed on trading (whether by reason of movements in price exceeding limits permitted by the relevant Reference Source or any Related Exchange or otherwise):

4.1.2.1.1 of Fund Share on the Reference Source or any Other Exchange; or

4.1.2.1.2 in options contracts or futures contracts relating to the Fund Share on any Related Exchange; or

(B) of any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in relation to or to obtain market values for the Fund Share on the relevant Reference Source or to effect transactions in or obtain market values for options contracts or futures contracts on or relating to such Fund Share on any Related Exchange; or

4.1.2.2 the closure on any Trading Day of the Reference Source or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Source or such Related Exchange, as the case may be, at least one hour prior to (aa) the actual closing time for the regular trading session

on such Reference Source or such Related Exchange on such Trading Day or, if earlier, (bb) the submission deadline (if applicable) for orders to be entered into the Reference Source or such Related Exchange system for execution at the Relevant Time on such Trading Day. A "**Scheduled Closing Time**" is the scheduled weekday closing time of the relevant Reference Source or Related Exchange, without regard to after hours or any other trading outside of the regular trading session hours; or

- 4.1.2.3 a general moratorium is declared in respect of banking activities in any Relevant Country; [or]

**[Insert if the Reference Source for any Fund Share is located in an Emerging Market Country:**

- 4.1.2.4 where the Reference Currency is different from the Settlement Currency, the occurrence at any time of an event which the Calculation Agent determines would have the effect of preventing, restricting or delaying the Issuer and/or any of its Affiliates from:

- (i) converting the Reference Currency into the Settlement Currency through customary legal channels or transferring within or from any Relevant Country either currency, due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;
- (ii) converting the Reference Currency into the Settlement Currency at a rate at least as favourable as the rate for domestic institutions located in any Relevant Country;
- (iii) delivering the Reference Currency or Settlement Currency from accounts inside any Relevant Country to accounts outside such Relevant Country; or
- (iv) transferring the Reference Currency or Settlement Currency between accounts inside any Relevant Country or to a party that is a non-resident of such Relevant Country; or

- 4.1.2.5 a Relevant Country (a) imposes any controls or announces its intention to impose any controls or (b)(i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer and/or any of its Affiliates' ability to acquire, hold, transfer or realise such Fund Share or otherwise to effect transactions in relation to such Fund Share,

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities[; and/or]]

*[If the Reference Source for any Fund Share is not an exchange or trading system or a quotation system insert:*

*[Insert the following two lines if section (i) of Market Disruption Event definition is also used:*

- [(ii)] where the Reference Source for any Fund Share is not an exchange a trading system or a quotation system as determined by the Calculation Agent,]
  - (a) it is not possible, for reasons beyond the reasonable control of the Calculation Agent, to determine the price or value (or an element of such price or value) of such Fund Share by reference to such Reference Source in the manner specified in the definition of "Reference Level" in Product Condition 1 or in "Information relating to the Underlying", or otherwise according to the rules or normal or accepted procedures for the determination of such price or value (whether due to non-publication of such price or value or otherwise); or
  - (b) *[if section (i) is included above, insert:* any event occurs as described in 4.1.2.3 *[Insert if the Reference Source for any Fund Share is located in an Emerging Market Country;* 4.1.2.4 and 4.1.2.5] above in relation to such Share,] **OR** *[if section (i) is not included above, insert 4.1.2.3, 4.1.2.4 and 4.1.2.5 here renumbered as 4.1.2.1, 4.1.2.2 and 4.1.2.3 respectively]*

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities.]

*[Insert if there shall be wide discretion to deal with fund events:*

#### 4.1.3 *Extraordinary Fund Events*

If an Extraordinary Fund Event occurs or has occurred in relation to a Fund or its Fund Shares (each such Fund, an "**Affected Fund**"), the Issuer may take any action described in 4.1.3.1, [or] 4.1.3.2 [or 4.1.3.3] below:

- 4.1.3.1 require the Calculation Agent to determine the appropriate adjustment, if any, to be made to any one or more of the Conditions to account for that Extraordinary Fund Event and determine the effective date of that adjustment; or
- 4.1.3.2 cancel the Securities by giving notice to Securityholders in accordance with General Condition 4. If the Securities are so cancelled, the Issuer will pay an amount to each Securityholder in respect of each Security held by such Securityholder which amount shall be the fair market value of a Security taking into account the Extraordinary Fund Event less the cost to the Issuer and/or any of its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its reasonable discretion. Payment will be made in such manner as shall be notified to the Securityholders in accordance with General Condition 4; [or]
- [4.1.3.3 determine that such Fund shall be replaced in accordance with Product Condition 4.1.4 below and determine the relevant "**Substitution Determination Date**", being the date such determination is made or such other date as the Issuer determines to be appropriate by reference to such factor(s) as it may select including, without limitation, any hedging arrangements carried out by the Issuer and/or any of its Affiliates in relation to the Securities],



if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities.

The Calculation Agent may, but need not, determine the appropriate adjustment for the purposes of (1) above by reference to the adjustment in respect of such Extraordinary Fund Event made by a Related Exchange (if any) to options contracts or futures contracts on the relevant Fund Share traded on that Related Exchange. Any adjustment or replacement made to account for an Extraordinary Fund Event may take into account, as the Calculation Agent deems appropriate, any tax, duty, withholding, deduction or other charge whatsoever (including but not limited to a change in the tax consequences) for the Issuer or any Affiliate as a result of the Extraordinary Fund Event. Such change in tax consequences may include, but is not limited to, any changes resulting from any hedging arrangements carried out by the Issuer or any Affiliate in relation to Securities. If any adjustment or replacement is made to account for any Extraordinary Fund Event, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4, stating the adjustment or replacement made and giving brief details of the Extraordinary Fund Event.

**"Extraordinary Fund Event"** means any of the following:

- (i) any change and/or modification of the currency, strategy, objectives, guidelines and/or investment policies of a Fund or a Master Fund (including but not limited to any change and/or modification of the Fund Information Document) from those prevailing on the Inclusion Date;
- (ii) the insolvency, liquidation (whether voluntary or involuntary) or bankruptcy of, or any analogous proceedings affecting, a Fund, its Manager, its Administrator or its Master Fund;
- (iii) the cancellation of the registration or the approval of a Fund, its Manager or its Master Fund by any relevant authority; or any suspension of a Fund, its Manager or its Master Fund by any relevant authority; or a Fund, its Manager or its Master Fund becomes subject to any investigation by any relevant governmental, legal or regulatory authority;
- (iv) the occurrence of a Fund Merger Event (as defined below);
- (v) a Market Disruption Event continues for **[Insert number]** consecutive Trading Days;
- (vi) the Fund or any party acting on its behalf imposes any restriction, charge or fee in respect of the purchase, subscription, sale or redemption of Fund Shares (other than any restriction, charge or fee in existence as at the Inclusion Date);
- (vii) where a buy or sell order is submitted by Deutsche Bank or any Affiliate in accordance with the relevant procedures of a Fund, the inability of Deutsche Bank AG or any Affiliate to buy or sell Fund Shares on any Trading Day at, or at a value that equates to, the Net Asset Value of Fund Share for such Trading Day;

- (viii) any action is taken, or proposed to be taken, by an authority leading to, or which could reasonably be expected to lead to, the adoption or promulgation of, or any change in, any applicable law or regulation after the Inclusion Date, or the issuance of any directive or any change in the interpretation thereof, whether formal or informal, by any court, tribunal or regulatory authority after the Inclusion Date (any such action, proposed action, adoption, promulgation or change, a "Change"), as a result of which the Issuer or any of its Affiliates would, if holding, purchasing or selling any Fund Shares, (i) be required, or there is a substantial likelihood (as determined by the Calculation Agent) that the Issuer or any of its Affiliates would be required, to pay an amount in respect of tax (howsoever arising) which would not have been the case as of the Inclusion Date, or (ii) receive, or there is a substantial likelihood (as determined by the Calculation Agent) that the Issuer or any of its Affiliates would receive, a payment in respect of which an amount in respect of tax (howsoever arising) would be deducted which would not have been the case as of the Inclusion Date;
- (ix) (a) as a result of any Change or for any other reason, it would be or would become unlawful or impractical for the Issuer or any of its Affiliates to hold, purchase or sell any Fund Shares and this was not the case as of the Inclusion Date, or  
(b) [any event occurs that would, if Deutsche Bank AG and/or any of its Affiliates were holding, purchasing or selling any Fund Shares, have the effect of: (i) imposing on Deutsche Bank and/or any of its Affiliates, any reserve, special deposit, or similar requirement which did not exist as of the Inclusion Date or modifying any such requirement existing as at the Inclusion Date; or (ii) affecting the amount of regulatory capital that would have to be maintained by the Issuer and/or any of its Affiliates in connection with any hedging arrangements carried out by the Issuer or any Affiliate in relation to the Securities [subsequent to the Inclusion Date] or modifying any such requirement existing as at the Inclusion Date;
- (x) a redemption of Fund Shares in the form of a distribution of non-cash assets;
- (xi) [the provision by a Fund Manager, or any third party, to the Issuer or any of its Affiliates of any information with regard to the asset composition of a Fund that would lead to the presumption that a Fund or Manager is investing in illiquid assets and such investment could have a detrimental effect on the Net Asset Value of the relevant Fund;]
- (xii) a Fund ceases to trade and/or a Manager or Administrator ceases its activity as manager or administrator of such Fund;
- (xiii) a change in Manager or Administrator occurs in circumstances not otherwise specified herein;
- (xiv) the occurrence of a Potential Fund Adjustment Event or a De-Listing (as defined below); or
- (xv) any event occurs as a result of which the determination of the Reference Level becomes and is likely to remain for the foreseeable future impossible or impracticable.

**"Potential Fund Adjustment Event"** means, in respect of a Fund or a Master Fund:

- (i) a subdivision, consolidation or reclassification of such Fund or Master Fund (unless a Fund Merger Event);
- (ii) an extraordinary distribution or dividend; or
- (iii) any other event (excluding a distribution or dividend) that may have an economic, dilutive, concentrative or other effect on the theoretical value of the Net Asset Value of such Fund.

**"De-Listing"** means, for any Fund Share for which the Reference Source is an exchange, a trading system or a quotation system, the Reference Source announces that pursuant to the rules of such Reference Source, the Fund Share ceases (or will cease) to be listed, traded or publicly quoted on the Reference Source for any reason (other than a Fund Merger Event) and is not immediately re-listed, re-traded or re-quoted on an exchange, trading system or quotation system acceptable to the Calculation Agent.

**"Fund Merger Event"** means, in respect of a Fund, its Manager or its Master Fund:

- (i) an irrevocable commitment to transfer all of the relevant Fund Shares or shares or units in such Master Fund outstanding; or
- (ii) a consolidation, amalgamation or merger of such Fund, such Manager or such Master Fund with or into another fund or fund manager other than a consolidation, amalgamation or merger in which such Fund or its Master Fund or its Manager is the continuing Fund, Master Fund or Manager, as the case may be; or
- (iii) a takeover offer for such Fund, Master Fund or Manager that results in a transfer of or an irrevocable commitment to transfer all of the relevant Fund Shares or shares or units in such Master Fund or all the shares of such Manager (other than Fund Shares or shares owned or controlled by the offeror).]

***[Insert if there shall be less discretion to deal with fund events:***

#### **4.1.3 Extraordinary Fund Events**

Following the occurrence of a Potential Adjustment Event, the Calculation Agent will determine whether such Potential Adjustment Event has a dilutive or concentrative or other effect on the theoretical value of the Fund Share and, if so, will (1) make the corresponding adjustment, if any, to any one or more of the Conditions as the Calculation Agent determines appropriate to account for that dilutive or concentrative or other effect; and (2) determine the effective date of that adjustment.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4, stating the adjustment made to the Conditions and giving brief details of the Potential Adjustment Event.

The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Extraordinary Fund Event made by a Related Exchange (if any) to options contracts or futures contracts on the relevant

Fund Share traded on that Related Exchange. Any adjustment or replacement made to account for an Extraordinary Fund Event may take into account, as the Calculation Agent deems appropriate, any tax, duty, withholding, deduction or other charge whatsoever (including but not limited to a change in the tax consequences) for the Issuer or any Affiliate as a result of the Extraordinary Fund Event. Such change in tax consequences may include, but is not limited to, any changes resulting from any hedging arrangements carried out by the Issuer or any Affiliate in relation to Securities.

**“Potential Adjustment Event”** means any of the following:

- 4.1.3.1 a subdivision, consolidation or reclassification of relevant Fund Shares (unless a Fund Merger Event) or a free distribution or dividend of any such Fund Shares to existing holders by way of bonus, capitalisation or similar issue;
- 4.1.3.2 a distribution or dividend to existing holders of relevant Fund Shares of (1) such Fund Shares, or (2) other share capital or securities granting the right to payment of dividends, redemption amounts or other amounts and/or delivery of assets and/or the proceeds of liquidation of the Fund equally or proportionately with such payments or deliveries to holders of such Fund Shares, or (3) share capital or other securities of another issuer acquired by the Fund as a result of a “spin-off” or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Calculation Agent;
- 4.1.3.3 an extraordinary dividend;
- 4.1.3.4 a call by the Fund in respect of relevant Fund Shares that are not fully paid;
- 4.1.3.5 the Fund repurchases, redeems or is required by any applicable regulatory authority to repurchase or redeem relevant Fund Shares (other than in accordance with normal redemption or realisation procedures for such Fund Shares) whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- 4.1.3.6 with respect to a Fund an event that results in any shareholder rights pursuant to a shareholder rights agreement or other plan or arrangement of the type commonly referred to as a “poison pill” being distributed, or becoming separated from shares of common stock or other shares of the capital stock of such Fund (provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights);
- 4.1.3.7 the occurrence of a tender offer (a **“Tender Offer”**) by any entity or person to purchase more than 10 per cent. but less than 50 per cent. of the outstanding voting shares of any class of shares of the Fund, as determined by the Calculation Agent based upon the making of filings with governmental agencies and/or the nature and term of the Tender Offer; or
- 4.1.3.8 any material change in the formula for or the method of calculating of the net asset value or other price or value of the relevant Fund Share, or in the composition or weighting of the prices or assets on the basis of which such net asset value or other price or value is calculated; or

- 4.1.3.9 any other event that may have, in the opinion of the Calculation Agent, a dilutive or concentrative or other effect on the theoretical value of the Fund Shares.

#### 4.1.4 *Merger Event, De-Listing, Insolvency and Other Event*

If a Fund Merger Event, De-Listing, Insolvency or Other Event occurs in relation to relevant Fund Shares, the Issuer may take any action described in 4.1.4.1, [or] 4.1.4.2 [or 4.1.4.3] below:

4.1.4.1 require the Calculation Agent to determine the appropriate adjustment, if any, to be made to any one or more of the Conditions to account for the Fund Merger Event, De-Listing, Insolvency or Other Event, as the case may be, and determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Fund Merger Event, De-Listing, Insolvency or Other Event made by a Related Exchange to options contracts or futures contracts on the Fund Share traded on that Related Exchange any adjustment or replacement made to account for a Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency may take into account, as the Calculation Agent deems appropriate, any tax, duty, withholding, deduction or other change whatsoever (including but not limited to a change in the tax consequences) for the Issuer and/or, if applicable, any Affiliates as a result of the Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency. Such change in tax consequences may include, but are not limited to any changes resulting from any hedging arrangements carried out by the Issuer and/or, if applicable, any Affiliate in relation to these Securities; or

4.1.4.2 cancel the Securities by giving notice to Securityholders in accordance with General Condition 4. If the Securities are so cancelled, the Issuer will pay an amount to each Securityholder in respect of each Security held by such Securityholder which amount shall be the fair market value of a Security taking into account the Fund Merger Event, De-Listing, Insolvency or Other Event, as the case may be, less the cost to the Issuer and/or any of its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its reasonable discretion. Payment will be made in such manner as shall be notified to the Securityholders in accordance with General Condition 4; or

4.1.4.3 determine that such Fund shall be replaced in accordance with Product Condition 4.1.5 below and determine the relevant "**Substitution Determination Date**", being the date such determination is made or such other date as the Issuer determines to be appropriate by reference to such factor(s) as it may select including, without limitation, any hedging arrangements carried out by the Issuer and/or any of its Affiliates in relation to the Securities].

Upon the occurrence of a Fund Merger Event, De-Listing, Insolvency or Other Event, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 stating the occurrence of the Fund Merger Event, De-Listing, Insolvency or Other Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. However, Securityholders should be aware that there may necessarily be some delay between the time at which any of the above events occurs and the time at which it is reported to Securityholders.

**"De-Listing"** means, for any Fund Share for which the Reference Source is an exchange, a trading system or a quotation system, the Reference Source announces that pursuant to the rules of such Reference Source, the Fund Share ceases (or will cease) to be listed, traded or publicly quoted on the Reference Source for any reason (other than a Fund Merger Event) and is not immediately re-listed, re-traded or re-quoted on an exchange, trading system or quotation system acceptable to the Calculation Agent.

**"Insolvency"** means, in relation to a Fund Share, (A) the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution, winding-up or other cessation of trading of or any analogous proceeding in relation to (i) the relevant Fund or (ii) the relevant Master Fund or (iii) unless replaced with a successor acceptable to the Calculation Agent, the relevant Administrator or the relevant Manager or (B) all such Fund Shares are required to be transferred to a trustee, liquidator or other similar official.

**"Fund Merger Event"** means, in respect of a Fund, its Manager or its Master Fund:

- (i) an irrevocable commitment to transfer all of the relevant Fund Shares or shares or units in such Master Fund outstanding; or
- (ii) a consolidation, amalgamation or merger of such Fund, such Manager or such Master Fund with or into another fund or fund manager other than a consolidation, amalgamation or merger in which such Fund or its Master Fund or its Manager is the continuing Fund, Master Fund or Manager, as the case may be; or
- (iii) a takeover offer for such Fund, Master Fund or Manager that results in a transfer of or an irrevocable commitment to transfer all of the relevant Fund Shares or shares or units in such Master Fund or all the shares of such Manager (other than Fund Shares or shares owned or controlled by the offeror).

**"Other Event"** means:

- (i) the Administrator or the Manager or the administrator or the manager of the Master Fund ceases to act in its capacity as administrator or manager of the Fund or the Master Fund, as the case may be, and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent,
- (ii) a material modification of the investment objectives, investment policies, investment strategy, investment process or investment guidelines (however described) ("**investment guidelines**") of the Fund or the Master Fund,
- (iii) a material modification or breach (other than any modifications referred to in (ii) above) of the conditions in place for the relevant Fund and/or the relevant Master Fund (including but not limited to a modification or breach of the Fund Information Document or the memorandum and articles of association or other constitutional documents of the Fund or any Prospectus, prospectus, information memorandum or similar document (including any document supplementing, amending or restating the same) or memorandum and articles of association or other constitutional documents of the Master Fund),
- (iv) interruption, breakdown or suspension of the calculation or publication of the net asset value or other value or price of the Master Fund,

- (v) a material modification of the type of assets in which the Fund and/or the Master Fund invests or the trading practices of the Fund or the Master Fund (including but not limited to a material deviation from the investment guidelines set out in any Fund Information Document) which, in the determination of the Calculation Agent, has or is likely to have a material effect on the hedging arrangements entered into by the Issuer and/or any of its Affiliates in respect of the Securities,
- (vi) the non-execution or partial execution or delayed execution by or on behalf of the Fund for any reason of a subscription or redemption order in respect of any Fund Shares given by the Issuer and/or any of its Affiliates,
- (vii) the Fund otherwise suspends redemptions of any Fund Shares,
- (viii) the Fund or any party acting on its behalf imposes any restriction, charge or fee in respect of a redemption or issue of Fund Shares (other than any restriction, charge or fee in existence as at the Issue Date of the Securities),
- (ix) the Fund, the Master Fund, the manager of the Master Fund or the Manager has any relevant licence, authorisation or registration cancelled or revoked by any applicable regulatory authority and/or the Issuer and/or any Affiliate is required by an applicable regulatory authority to dispose of any Fund Shares held in connection with any hedging arrangements relating to the Securities,
- (x) there is a change in the taxation treatment in any relevant jurisdiction in respect of any payments and/or deliveries made by a Fund or any reinvested amounts held by a Fund in respect of any Fund Shares as a result of which the amounts and/or assets realised by the Issuer and/or any Affiliate in connection with hedging arrangements relating to the Securities are materially reduced or otherwise adversely affected,
- (xi) any other event occurs in relation to the relevant Fund or the relevant Fund Shares, which, in the determination of the Calculation Agent, has a material adverse effect on the value of such Fund Shares and/or the hedging activities of the Issuer and/or any Affiliate in connection with the Securities and which is not a Potential Adjustment Event and/or
- (xii) the occurrence of a Potential Adjustment Event for which an adjustment in accordance with Product Condition 4.[1].3 above is, in the determination of the Calculation Agent, for any reason not possible or not reasonably practical.]

#### *4.1.[4][5]Fund Substitution*

If the Issuer determines that Fund Shares (the "**Affected Fund Shares**") should be substituted pursuant to Product Condition 4.1.[3][4] above, the Calculation Agent shall, on or prior to the Realisation Date substitute the relevant Fund Shares with new fund shares (the "**New Fund Shares**" and the related fund, the "**New Fund**") provided the New Fund has the same or similar strategy, objectives, guidelines and investment policies as specified in the Fund Information Document (as determined by the Calculation Agent in its reasonable discretion) and provided that the currency of the New Fund Shares is the same as that for the Affected Fund Shares.

If Affected Fund Shares are substituted pursuant to this provision, the Calculation Agent shall make such adjustments to the Conditions as it in its reasonable discretion deems appropriate to account for such substitution. For the avoidance of doubt, the

Calculation Agent shall determine the effect of such substitution on any relevant Reference Level by taking into account the contribution to the Reference Level of the Affected Fund Shares by reference to the value at which the Fund Shares of the Affected Fund could have been redeemed, liquidated or disposed of at the date that the substitution takes place (or, if any of the Affected Fund Shares could not reasonably be redeemed, liquidated or disposed of such value shall be deemed to be zero or such other value reflective of their market value, in the determination of the Calculation Agent).]



## Clause 4 Adjustment Provisions : Commodities

### 4. Adjustment Provisions

*[If the definition of "Underlying" or "Basket" in Product Condition 1 includes a Commodity or Commodities, insert this section:]*

#### 4.1 Commodities

*[If more than one Type of Underlying or Basket Constituent is set out in the definition of "Basket" or "Underlying" (a) the Product Condition 4 sections will need to be renumbered appropriately and (b) the following should be inserted:]*

This Product Condition 4.[1] and the definitions herein shall only apply in relation to any Commodity or Commodities specified in Product Condition 1 in the column headed "Type of Basket Constituent" in the definition of "Basket", or in the column headed "Type of Underlying" in the definition of "Underlying" in Product Condition 1. For any Underlying other than a Commodity or Commodities which are specified in such column, other sections of this Product Condition 4, if and to the extent applicable, and the definitions therein shall apply.]

##### 4.1.1 Definitions:

"**Affiliate**" is as defined in Product Condition 1;

"**Commodity**" means the or, as the case may be, each commodity specified in the definition of "Underlying" or "Basket", as the case may be, in Product Condition 1;

"**Other Exchange**" means, with respect to a Commodity, each exchange, trading system or quotation system other than the Reference Source on which such Commodity is listed, traded or quoted;

"**Reference Currency**" is as defined in Product Condition 1 or, if not defined in Product Condition 1, is the Settlement Currency;

"**Reference Level**" is as defined in Product Condition 1;

"**Reference Source**" is as defined in Product Condition 1;

"**Related Exchange**" means, unless otherwise defined in Product Condition 1, with respect to a Commodity, any exchange, trading system or quotation system on which options contracts or futures contracts on such Commodity are traded as determined by the Calculation Agent;

"**Relevant Country**" means, each of:

- (i) any country (or any political or regulatory authority thereof) in which a Reference Currency or the Settlement Currency is the legal tender or currency; and
- (ii) any country (or any political or regulatory authority thereof) with which a Commodity, or the Reference Source, has a material connection and, in determining what is material the Calculation Agent may, without limitation, refer to such factor(s) as it may deem appropriate,

all as determined by the Calculation Agent.

**"Relevant Time"** means, with respect to any Commodity, the relevant time by reference to which the Calculation Agent determines the price or value of such Commodity for the purposes of determining the Reference Level; and

**"Settlement Currency"** is as defined in Product Condition 1.

#### 4.1.2 Market Disruption

The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 if a Market Disruption Event has occurred on any date with respect to which the Calculation Agent would, but for the occurrence of a Market Disruption Event, have been required by the Product Conditions to determine the price or value of a Commodity.

**"Market Disruption Event"** means:

*[If the Reference Source for any Commodity is an exchange, a trading system or a quotation system insert:*

*[Insert the following two lines if section (ii) of Market Disruption Event definition is also used:*

- (i) where the Reference Source for any Commodity is an exchange, a trading system or a quotation system as determined by the Calculation Agent,]

4.1.2.1 the occurrence or existence on any Trading Day at the Relevant Time for such Commodity or at any time during the one hour period that ends at the Relevant Time for such Commodity:

- (E) of any suspension of or limitation imposed on trading (whether by reason of movements in price exceeding limits permitted by the relevant Reference Source or any Related Exchange or otherwise):

4.1.2.1.1 of the Commodity on the Reference Source or any Other Exchange; or

4.1.2.1.2 in options contracts or futures contracts relating to the Commodity on any Related Exchange; or

- (B) of any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in relation to or to obtain market values for the Commodity on the relevant Reference Source or to effect transactions in or obtain market values for options contracts or futures contracts on or relating to such Commodity on any Related Exchange; or

4.1.2.2 the closure on any Trading Day of the Reference Source or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Source or such Related Exchange, as the case may be, at least one hour prior to (aa) the actual closing time for the regular trading session

on such Reference Source or such Related Exchange on such Trading Day or, if earlier, (bb) the submission deadline (if applicable) for orders to be entered into the Reference Source or such Related Exchange system for execution at the Relevant Time on such Trading Day. A "**Scheduled Closing Time**" is the scheduled weekday closing time of the relevant Reference Source or Related Exchange, without regard to after hours or any other trading outside of the regular trading session hours; or

- 4.1.2.3 a general moratorium is declared in respect of banking activities in any Relevant Country; [or]

**[Insert if the Reference Source for any Commodity is located in an Emerging Market Country:**

- 4.1.2.4 where the Reference Currency is different from the Settlement Currency, the occurrence at any time of an event which the Calculation Agent determines would have the effect of preventing, restricting or delaying the Issuer and/or any of its Affiliates from:

- (i) converting the Reference Currency into the Settlement Currency through customary legal channels or transferring within or from any Relevant Country either currency, due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;
- (ii) converting the Reference Currency into the Settlement Currency at a rate at least as favourable as the rate for domestic institutions located in any Relevant Country;
- (iii) delivering the Reference Currency or Settlement Currency from accounts inside any Relevant Country to accounts outside such Relevant Country; or
- (iv) transferring the Reference Currency or Settlement Currency between accounts inside any Relevant Country or to a party that is a non-resident of such Relevant Country; or

- 4.1.2.5 a Relevant Country (a) imposes any controls or announces its intention to impose any controls or (b)(i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer and/or any of its Affiliates' ability to acquire, hold, transfer or realise such Commodity or otherwise to effect transactions in relation to such Commodity,

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities[; and/or]]

[If the Reference Source for any Commodity is not an exchange or trading system or a quotation system insert:

[Insert the following two lines if section (i) of Market Disruption Event definition is also used:

- (ii) where the Reference Source for any Commodity is not an exchange, a trading system or a quotation system as determined by the Calculation Agent,
  - (a) it is not possible, for reasons beyond the reasonable control of the Calculation Agent, to determine the price or value (or an element of such price or value) of such Commodity by reference to such Reference Source in the manner specified in the definition of "Reference Level" in Product Condition 1 or in "Information relating to the Underlying", or otherwise according to the rules or normal or accepted procedures for the determination of such price or value (whether due to non-publication of such price or value or otherwise); or
  - (b) [if section (i) is included above, insert: any event occurs as described in 4.1.2.3 [Insert if the Reference Source for any Commodity is located in an Emerging Market Country:, 4.1.2.4 and/or 4.1.2.5] above in relation to such Commodity,] **OR** [if section (i) is not included above, insert 4.1.2.3, 4.1.2.4 and 4.1.2.5 here renumbered as 4.1.2.1, 4.1.2.2 and 4.1.2.3 respectively]

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities.]

#### 4.1.3 Potential Adjustment Events

If a Potential Adjustment Event occurs or has occurred, the Calculation Agent shall (1) determine the appropriate adjustment, if any, to any one or more of the Conditions; and (2) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by a Related Exchange to options contracts or futures contracts on the relevant Commodity traded on that Related Exchange.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4, stating the adjustment made to the Conditions and giving brief details of the Potential Adjustment Event.

**"Potential Adjustment Event"** means any of the following:

- 4.1.3.1 the Commodity is traded on the Reference Source in a different quality or another composition (for example in a different degree of purity or with a different point of origin);
- 4.1.3.2 any other event or measure as a result of which the Commodity, as traded on the Reference Source, is changed or altered;
- 4.1.3.3 options contracts or futures contracts on or relating to the Commodity as traded on any Related Exchange are altered in the manner described under Product Condition 4.[1].3.1 or 4.[1].3.2 above,

and whether or not any event or measure is a Potential Adjustment Event shall be conclusively determined by the Calculation Agent.

#### 4.1.4. Cessation of Trading and Other Termination Event

- 4.1.4.1 Where the Reference Source for such Commodity is an exchange or a trading system or a quotation system, if the Reference Source announces that pursuant to the rules of such Reference Source, such Commodity ceases (or will cease) to be listed, traded or publicly quoted on the Reference Source for any reason and is not immediately re-listed, re-traded or re-quoted on an exchange, trading system or quotation system acceptable to the Calculation Agent (“**Cessation of Trading**”); or
- 4.1.4.2 if, after the occurrence of a Potential Adjustment Event, an adjustment in accordance with Product Condition 4.1.3 above is, in the determination of the Calculation Agent, for any reason not possible or not reasonably practicable (“**Other Termination Event**”),

the Issuer will cancel the Securities by giving notice to Securityholders in accordance with General Condition 4.

If the Securities are so cancelled, the Issuer will pay an amount to each Securityholder in respect of each Security held by such Securityholder which amount shall be the fair market value of a Security taking into account the Cessation of Trading or Other Termination Event, less the cost to the Issuer and/or any of its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its reasonable discretion. Payment will be made in such manner as shall be notified to the Securityholders in accordance with General Condition 4.

Upon the occurrence of such Cessation of Trading or Other Termination Event, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 stating the occurrence of the Cessation of Trading or Other Termination Event. However, Securityholders should be aware that there may necessarily be some delay between the time at which any of the above events occur and the time at which it is reported to Securityholders.]

**Clause 4 Adjustment Provisions : Commodities which are not precious metals, Gold, Silver, Platinum or Palladium**

**4. Adjustment Provisions**

*[If the definition of "Underlying" or "Basket" in Product Condition 1 includes a Commodity or Commodities, insert this section:]*

**4.1 Commodities**

*[If more than one Type of Underlying or Basket Constituent is set out in the definition of "Basket" or "Underlying" (a) the Product Condition 4 sections will need to be renumbered appropriately and (b) the following should be inserted:]*

This Product Condition 4.[1] and the definitions herein shall only apply in relation to any Commodity or Commodities specified in Product Condition 1 in the column headed "Type of Basket Constituent" in the definition of "Basket", or in the column headed "Type of Underlying" in the definition of "Underlying" in Product Condition 1. For any Underlying other than a Commodity or Commodities which are specified in such column, other sections of this Product Condition 4, if and to the extent applicable, and the definitions therein shall apply.]

**4.1.1 Definitions**

**"Commodity"** means the or, as the case may be, each commodity specified in the definition of "Underlying" or "Basket", as the case may be, in Product Condition 1;

**"Futures Contract"** means a contract for future delivery in respect of a delivery date relating to the Underlying;

**"Reference Level"** is as defined in Product Condition 1;

**"Reference Source"** is as defined in Product Condition 1;

**"Relevant Day"** is as defined below;

**"Relevant Price"** means any level, value or price (including any Reference Level) in relation to a Commodity that the Calculation Agent is required in accordance with the Product Conditions to determine; and

**"Trade Date"** means [●].

**4.1.2 Market Disruption**

**"Market Disruption Event"** means an event that, if applicable, would give rise to a Market Disruption Event (as described below) and which occurs on any date (a **"Relevant Day"**) with respect to which the Calculation Agent is required by the Product Conditions to determine the Relevant Price in relation to any Commodity, and the Calculation Agent will determine such Relevant Price, taking into consideration the latest available level, value or price for the Commodity on or in relation to such Relevant Day and any other information that in good faith it deems relevant.

Each of the following is a Market Disruption Event with a meaning as follows:

- (i) a Price Source Disruption;
- (ii) a Trading Suspension;

- (iii) a Disappearance of Commodity Price;
- (iv) a Material Change in Formula;
- (v) a Material Change in Content;
- (vi) Tax Disruption; or
- (vii) Trading Limitation.

Where:

**"Disappearance of Commodity Price"** means (A) the failure of trading to commence, or the permanent discontinuation of trading in, the Futures Contract on the Reference Source or (B) the disappearance of, or of trading in, a Commodity;

**"Material Change in Content"** means the occurrence since the Trade Date of a material change in the content, composition or constitution of a Commodity or the relevant Futures Contract;

**"Material Change in Formula"** means the occurrence since the Trade Date of a material change in the formula for or the method of calculating any Relevant Price;

**"Price Source Disruption"** means (A) the failure of the Reference Source to announce or publish any Relevant Price (or the information necessary for determining any Relevant Price) or (B) the temporary or permanent discontinuance or unavailability of the Reference Source;

**"Tax Disruption"** means the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, the relevant Commodity (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Trade Date, if the direct effect of such imposition, change or removal is to raise or lower the Relevant Price on the day that would otherwise be a Relevant Day from what it would have been without that imposition, change or removal;

**"Trading Limitation"** means the material limitation imposed on trading in the Futures Contract or the Commodity on the Reference Source or in any additional futures contract or options contract relating to a Commodity on any exchange, trading system or quotation system on which any such futures contracts or options contracts are traded if, in any such case, such limitation is, in the determination of the Calculation Agent, material;

**"Trading Suspension"** means the material suspension of trading in the Futures Contract or the Commodity on the Reference Source or in any additional futures contract or options contract relating to a Commodity on any exchange, trading system or quotation system on which any such futures contracts or options contracts are traded if, in any such case, such suspension is, in the determination of the Calculation Agent, material;

## Clause 4 Adjustment Provisions : Foreign Exchange Rates

### 4. Adjustment Provisions

*[If the definition of "Underlying" or "Basket" in Product Condition 1 includes a Foreign Exchange Rate or Foreign Exchange Rates, insert this section:]*

#### 4.1 Foreign Exchange Rates

*[If more than one Type of Underlying or Basket Constituent is set out in the definition of "Basket" or "Underlying" (a) the Product Condition 4 sections will need to be renumbered appropriately and (b) the following should be inserted:]*

This Product Condition 4.[1] and the definitions herein shall only apply in relation to any Foreign Exchange Rate or Foreign Exchange Rates specified in Product Condition 1 in the column headed "Type of Basket Constituent" in the definition of "Basket", or in the column headed "Type of Underlying" in the definition of "Underlying", as the case may be. For any Underlying other than a Foreign Exchange Rate or Foreign Exchange Rates which are specified in such column, other sections of this Product Condition 4, if and to the extent applicable, and the definitions therein shall apply.]

##### 4.1.1 Definitions:

"**Affiliate**" is as defined in Product Condition 1;

"**First Currency**" means the currency appearing in the first position in a Rate of Exchange;

"**Other Exchange**" means, with respect to a Rate of Exchange, each exchange, trading system or quotation system other than the Reference Source on which the relevant Rate of Exchange is listed, traded or quoted;

"**Rate of Exchange**" means the or, as the case may be, each rate of exchange between a pair of currencies as specified under "Foreign Exchange Rate" in the definition of "Underlying", "Securities" or "Basket", as the case may be, in Product Condition 1;

"**Reference Currency**" means, with respect to a Rate of Exchange, each currency specified in a Rate of Exchange;

"**Reference Level**" is as defined in Product Condition 1;

"**Reference Source**" is as defined in Product Condition 1;

"**Related Exchange**" means, unless otherwise defined in Product Condition 1, with respect to a Rate of Exchange, any exchange, trading system or quotation system on which options contracts or futures contracts on the relevant Rate of Exchange are traded as determined by the Calculation Agent;

"**Relevant Country**" means, with respect to each Rate of Exchange, each of :



- (i) any country (or any political or regulatory authority thereof) in which a Reference Currency for such Rate of Exchange, or the Settlement Currency is the legal tender or currency; and
- (ii) any country (or any political or regulatory authority thereof) with which a Reference Currency for such Rate of Exchange, or the Reference Source, has a material connection and, in determining what is material the Calculation Agent may, without limitation, refer to such factor(s) as it may deem appropriate,

all as determined by the Calculation Agent.

**"Relevant Time"** means, with respect to any Rate of Exchange, the relevant time by reference to which the Calculation Agent determines the price or value of such Rate of Exchange for the purposes of determining the Reference Level;

**"Second Currency"** means the currency appearing in the second position in an Rate of Exchange; and

**"Settlement Currency"** is as defined in Product Condition 1.

#### 4.1.2 Market Disruption

The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 if a Market Disruption Event has occurred on any date with respect to which the Calculation Agent would, but for the occurrence of a Market Disruption Event, have been required by the Product Conditions to determine the price or value of a Rate of Exchange in the Settlement Currency.

**"Market Disruption Event"** means:

*[If the Reference Source for any Rate of Exchange is an exchange, a trading system or a quotation system insert:*

*[Insert the following two lines if section (ii) of Market Disruption Event definition is also used:*

- (i) where the Reference Source for any Rate of Exchange is an exchange, a trading system or a quotation system as determined by the Calculation Agent,]

4.1.2.1 the occurrence or existence on any Trading Day at the Relevant Time for such Rate of Exchange or at any time during the one hour period that ends at the Relevant Time for such Rate of Exchange:

- (F) of any suspension of or limitation imposed on trading (whether by reason of movements in price exceeding limits permitted by the relevant Reference Source or any Related Exchange or otherwise):

4.1.2.1.1 of a Second Currency, for its conversion into the relevant First Currency, on the Reference Source or any Other Exchange; or

4.1.2.1.2 in options contracts or futures contracts relating to a Second Currency, for its conversion into the relevant First Currency, on any Related Exchange; or

(B) of any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in relation to or to obtain market values for a Second Currency, for its conversion into the relevant First Currency, on the relevant Reference Source or to effect transactions in or obtain market values for options contracts or futures contracts on or relating to such Second Currency, for its conversion into the First Currency, on any Related Exchange; or

4.1.2.2 the closure on any Trading Day of the Reference Source or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Source or such Related Exchange, as the case may be, at least one hour prior to (aa) the actual closing time for the regular trading session on such Reference Source or such Related Exchange on such Trading Day or, if earlier, (bb) the submission deadline (if applicable) for orders to be entered into the Reference Source or such Related Exchange system for execution at the Relevant Time on such Trading Day. A "**Scheduled Closing Time**" is the scheduled weekday closing time of the relevant Reference Source or Related Exchange, without regard to after hours or any other trading outside of the regular trading session hours; or

4.1.2.3 a general moratorium is declared in respect of banking activities in any Relevant Country; [or]

***[Insert if the Reference Source for any Rate of Exchange is located in an Emerging Market Country:]***

4.1.2.4 the occurrence at any time of an event which the Calculation Agent determines would have the effect of preventing, restricting or delaying the Issuer and/or any of its Affiliates from:

- (i) converting a Second Currency into the relevant First Currency through customary legal channels or transferring within or from any Relevant Country either currency, due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;
- (ii) converting a Second Currency into the relevant First Currency at a rate at least as favourable as the rate for domestic institutions located in any Relevant Country;
- (iii) delivering a First Currency or Second Currency from accounts inside any Relevant Country to accounts outside such Relevant Country; or
- (iv) transferring a First Currency or Second Currency between accounts inside any Relevant Country or to a party that is a non-resident of such Relevant Country; or

- 4.1.2.5 a Relevant Country (a) imposes any controls or announces its intention to impose any controls or (b)(i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer and/or any of its Affiliates' ability to acquire, hold, transfer or realise such Rate of Exchange or otherwise to effect transactions in relation to such Rate of Exchange,

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities[; and/or]]

**[If the Reference Source for any Rate of Exchange is not an exchange or trading system or a quotation system insert:**

**[Insert the following two lines if section (i) of Market Disruption Event definition is also used:**

- (ii) where the Reference Source for any Rate of Exchange is not an exchange, a trading system or a quotation system as determined by the Calculation Agent,]
- (a) it is not possible, for reasons beyond the reasonable control of the Calculation Agent, to determine the price or value (or an element of such price or value) of a Second Currency in the relevant First Currency by reference to such Reference Source in the manner specified in the definition of "Reference Level" in Product Condition 1 or in "Information relating to the Underlying", or otherwise according to the rules or normal or accepted procedures for the determination of such price or value (whether due to non-publication of such price or value or otherwise); or
- (b) **[if section (i) is included above, insert: any event occurs as described in 4.1.2.3 [Insert if the Reference Source for any Rate of Exchange is located in an Emerging Market Country; 4.1.2.4 and/or 4.1.2.5] above in relation to such Rate of Exchange,] OR [if section (i) is not included above, insert 4.1.2.3, 4.1.2.4 and 4.1.2.5 here renumbered as 4.1.2.1, 4.1.2.2 and 4.1.2.3 respectively]**

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities.]

#### 4.1.3 Adjustment Event

If a Second Currency is, in its function as legal tender, in the country or jurisdiction, or countries or jurisdictions, maintaining the authority, institution or other body which issues such Reference Currency, replaced by another currency, or merged with another currency to become a common currency (such replacing or merged currency the "**New Reference Currency**") and the provisions of Product Condition 4.1.3 or of General Condition 10 do not apply, such Second Currency shall, within the Rate of Exchange, be replaced by the New Reference Currency (such exchange rate the "**New Rate of Exchange**"), provided that the New Rate of Exchange shall be calculated on the basis of the number of units of the New Reference Currency

determined by the conversion of the number of units of the Second Currency used for the determination of the previous Rate of Exchange into the New Reference Currency using the exchange rate applicable to such conversion, all as determined by the Calculation Agent.

#### 4.1.4. Termination Events

4.1.4.1 If a Reference Currency ceases, for any reason, to be legal tender in the country or jurisdiction, or countries or jurisdictions, maintaining the authority, institution or other body which issues such Reference Currency, and the provisions of Product Condition 4.1.3 or of General Condition 10 do not apply, or if an adjustment in accordance with Product Condition 4.1.3 is, in the determination of the Calculation Agent, for any reason not possible or not reasonably practical, or

4.1.4.2 where the Reference Source for any Rate of Exchange is an exchange or a trading system or a quotation system, if the Reference Source announces that pursuant to the rules of such Reference Source, the exchange rate between the relevant First Currency and Second Currency ceases (or will cease) to be listed, traded or publicly quoted on the Reference Source for any reason and is not immediately re-listed, re-traded or re-quoted on an exchange, trading system or quotation system acceptable to the Calculation Agent (“**Cessation of Trading**”),

(each such event a “**Termination Event**”), the Issuer will cancel the Securities by giving notice to Securityholders in accordance with General Condition 4.

If the Securities are so cancelled, the Issuer will pay an amount to each Securityholder in respect of each Security held by such Securityholder which amount shall be the fair market value of a Security taking into account the relevant Termination Event, less the cost to the Issuer and/or any of its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its reasonable discretion. Payment will be made in such manner as shall be notified to the Securityholders in accordance with General Condition 4.

Upon the occurrence of such Termination Event, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 stating the occurrence of the Termination Event. However, Securityholders should be aware that there may necessarily be some delay between the time at which any of the above events occur and the time at which it is reported to Securityholders.]

## Clause 4 Adjustment Provisions : Futures

### 4. Adjustment Provisions

*[If the definition of "Underlying" or "Basket" in Product Condition 1 includes a Future or Futures, insert this section:]*

#### 4.1 Futures

*[If more than one Type of Underlying or Basket Constituent is set out in the definition of "Basket" or "Underlying" (a) the Product Condition 4 sections will need to be renumbered appropriately and (b) the following should be inserted:]*

This Product Condition 4.[1] and the definitions herein shall only apply in relation to any Future or Futures specified in Product Condition 1 in the column headed "Type of Basket Constituent" in the definition of "Basket", or in the column headed "Type of Underlying" in the definition of "Underlying", as the case may be. For any Underlying other than a Future or Futures which are specified in such column, other sections of this Product Condition 4, if and to the extent applicable, and the definitions therein shall apply.]

##### 4.1.1 Definitions:

"**Affiliate**" is as defined in Product Condition 1;

"**Future**" means the or, as the case may be, each future contract specified in the definition of "Underlying" or "Basket", as the case may be, in Product Condition 1 or, if a future contract has been replaced in accordance with Product Condition 4.1.5, the relevant Successor Future;

"**Reference Currency**" is as defined in Product Condition 1 or, if not defined in Product Condition 1, is the Settlement Currency;

"**Reference Level**" is as defined in Product Condition 1;

"**Reference Source**" is as defined in Product Condition 1;

"**Related Exchange**" means, unless otherwise defined in Product Condition 1, with respect to a Future, any exchange, trading system or quotation system on which options contracts or futures contracts on such Future are traded, as determined by the Calculation Agent;

"**Relevant Country**" means, each of:

- (i) any country (or any political or regulatory authority thereof) in which a Reference Currency or the Settlement Currency is the legal tender or currency; and
- (ii) any country (or any political or regulatory authority thereof) with which a Future or the Reference Source has a material connection and, in determining what is material the Calculation Agent may, without limitation, refer to such other factor(s) as it may deem appropriate,

all as determined by the Calculation Agent.

**"Relevant Time"** means, with respect to a Future, the relevant time by reference to which the Calculation Agent determines the price or value of such Future for the purposes of determining the Reference Level;

**"Settlement Currency"** is as defined in Product Condition 1; and

**"Trading Day"** is as defined in Product Condition 1.

#### 4.1.2 *Market Disruption*

The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 if a Market Disruption Event has occurred on any date with respect to which the Calculation Agent would, but for the occurrence of a Market Disruption Event, have been required by the Product Conditions to determine the level of a Future.

**"Market Disruption Event"** means:

- 4.1.2.1 the occurrence or existence on any Trading Day at the Relevant Time for such Future or at any time during the one hour period that ends at the Relevant Time for such Future:
  - (A) of any suspension of or limitation imposed on trading (whether by reason of movements in price exceeding limits permitted by any Reference Source or any Related Exchange or otherwise):
    - 4.1.2.1.8 on any Reference Source as a whole; or
    - 4.1.2.1.9 on any Related Exchange of any options contracts or futures contracts on or relating to any Future; or
    - 4.1.2.1.10 on any exchange or trading system or quotation system on which a Future is listed or quoted of such Future; or
  - (B) of any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in relation to or to obtain market values for such Future on the relevant Reference Source or to effect transactions in or obtain market values for options contracts or futures contracts on or relating to such Future on any Related Exchange; or
- 4.1.2.4 the closure on any Trading Day of any Reference Source or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Source or such Related Exchange, as the case may be, at least one hour prior to (aa) the actual closing time for the regular trading session on such Reference Source or such Related Exchange on such Trading Day or, if earlier, (bb) the submission deadline (if applicable) for orders to be entered into such Reference Source or such Related Exchange system for execution at the Relevant Time on such Trading Day. A **"Scheduled Closing Time"** is the scheduled weekday closing time of the relevant Reference Source

or Related Exchange, without regard to after hours or any other trading outside of the regular trading session hours; or

- 4.1.2.3 a general moratorium is declared in respect of banking activities in any Relevant Country; [or]

**[Insert if the Reference Source for any Index or Index Constituent is located in an Emerging Market Country]**

- 4.1.2.4 in relation to a Reference Currency for a Future which is different from the Settlement Currency, the occurrence at any time of an event which the Calculation Agent determines would have the effect of preventing, restricting or delaying the Issuer and/or any of its Affiliates from:

- (i) converting such Reference Currency into the Settlement Currency through customary legal channels or transferring within or from any Relevant Country either currency, due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;
- (ii) converting such Reference Currency into the Settlement Currency at a rate at least as favourable as the rate for domestic institutions located in any Relevant Country;
- (iii) delivering such Reference Currency or Settlement Currency from accounts inside any Relevant Country to accounts outside such Relevant Country; or
- (iv) transferring such Reference Currency or Settlement Currency between accounts inside any Relevant Country or to a party that is a non-resident of such Relevant Country; or

- 4.1.2.5 a Relevant Country (a) imposes any controls or announces its intention to impose any controls or (b)(i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer and/or any of its Affiliates' ability to acquire, hold, transfer or realise such Future or to effect transactions in relation to such Future,]

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities.]

#### **4.1.3 Potential Adjustment Events**

If a Potential Adjustment Event occurs or has occurred, the Calculation Agent shall (1) determine the appropriate adjustment, if any, to any one or more of the Conditions; and (2) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the

adjustment in respect of such Potential Adjustment Event made by a Related Exchange to options contracts or futures contracts on the relevant Future traded on that Related Exchange.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4, stating the adjustment made to the Conditions and giving brief details of the Potential Adjustment Event.

**"Potential Adjustment Event"** means, unless such event is a De-Listing or a Termination, the terms and conditions of the Future, or its underlying concept, are materially modified.

#### 4.1.4. *De-Listing and Termination*

If a De-Listing or Termination occurs in relation to relevant Futures, the Issuer may take any action described in 4.1.4.1, 4.1.4.2 or 4.1.4.3 below:

- 4.1.4.1 require the Calculation Agent to determine the appropriate adjustment, if any, to be made to any one or more of the Conditions to account for the De-Listing or Termination, as the case may be and determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the De-Listing or Termination, as the case may be, made by an options exchange to options on the Future traded on that options exchange; or
- 4.1.4.2 cancel the Securities by giving notice to Securityholders in accordance with General Condition 4. If the Securities are so cancelled, the Issuer will pay an amount to each Securityholder in respect of each Security held by such Securityholder which amount shall be the fair market value of a Security taking into account the De-Listing or Termination, as the case may be, less the cost to the Issuer and/or any of its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its reasonable discretion. Payment will be made in such manner as shall be notified to the Securityholders in accordance with General Condition 4; or
- 4.1.4.3 following any adjustment to the settlement terms of options on the Futures traded on such exchange(s) or trading system(s) or quotation system(s) as the Calculation Agent in its reasonable discretion shall select (the **"Options Reference Source"**) require the Calculation Agent to make a corresponding adjustment to any one or more of the Conditions, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Reference Source. If options on the Futures are not traded on the Options Reference Source, the Calculation Agent will make such adjustment, if any, to any one or more of the Conditions as the Calculation Agent determines appropriate, with reference to the rules and precedents (if any) set by the Options Reference Source, to account for the De-Listing or Termination, as the case may be, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Reference Source if such options were so traded.

As used herein:



**"De-Listing"** means, in relation to a Future, that the relevant Reference Source announces that pursuant to the rules of such Reference Source, such Future ceases (or will cease) to be listed, traded or publicly quoted on the Reference Source for any reason and is not immediately re-listed, re-traded or re-quoted on an exchange, trading system or quotation system acceptable to the Calculation Agent;

**"Termination"** means, in relation to a Future, such future contract has been terminated, cancelled or otherwise ceased to be outstanding for any reason.

#### *[4.1.5. Replacement*

Upon the occurrence of a Replacement Event with respect to a Future, such Future shall, with effect on the Replacement Day, be replaced with the Successor Future. In such case, all references to a Future in any Product Condition shall be deemed to apply for the Successor Future. Also with effect on the Replacement Day, the Calculation Agent shall make adjustments, if any, to any one or more of the Conditions as the Calculation Agent determines appropriate to account of the Replacement Event. The adjustments will be made to preserve the economic position of the Securityholders before the replacement, and will reflect the difference, if any, between the last price of the Future and of the Successor Future before the replacement became effective.

If the Calculation Agent determines in its reasonable discretion that a Successor Future is not available, the Issuer will cancel the Securities as provided in 4.1.4.2 above.

**"Replacement Day"** means the Trading Day following the day on which the Replacement Event occurs;

**"Replacement Event"** means [the Future has a remaining period of validity of less than [●]] [options contracts on the Future cease (or will cease) to be listed, traded or publicly quoted on the Reference Source for any reason and are not immediately re-listed, re-traded or re-quoted on an exchange, trading system or quotation system acceptable to the Calculation Agent] [●];

**"Successor Future"** means [the future contract following the same underlying concept and having the same Reference Source as the Future which, at the time of occurrence of the Replacement Event, has the shortest remaining period of validity[, provided that the period of validity shall not be less than [●][●].] ]

## Clause 4 Adjustment Provisions: Swing Notes on Shares, with Replacement Provision

### 4. Adjustment Provisions

*[If the definition of "Basket" in Product Condition 1 includes a Share or Shares, which is or which are to be replaced under certain conditions, insert this section:]*

#### 4.1 Shares

*[If more than one Type of Basket Constituent is set out in the definition of "Basket" in Product Condition 1 (a) the Product Condition 4 sections will need to be renumbered appropriately and (b) the following should be inserted:]*

This Product Condition 4.[1] and the definitions herein shall only apply in relation to any Share or Shares specified in the column headed "Type of Basket Constituent" in the definition of "Basket" in Product Condition 1. For any Basket Constituent other than a Share or Shares which are specified in such column, other sections of this Product Condition 4, if and to the extent applicable, and the definitions therein shall apply.]

##### 4.1.1 Definitions:

"**Affiliate**" is as defined in Product Condition 1;

"**Other Exchange**" means, with respect to a Share, each exchange, trading system or quotation system other than the Reference Source on which such Share is listed, traded or quoted;

"**Reference Currency**" is as defined in Product Condition 1 or, if not defined in Product Condition 1, is the Settlement Currency;

"**Reference Level**" is as defined in Product Condition 1;

"**Reference Source**" is as defined in Product Condition 1;

"**Related Exchange**" means, unless otherwise defined in Product Condition 1, with respect to a Share, any exchange, trading system or quotation system on which options contracts or futures contracts on such Share are traded as determined by the Calculation Agent;

"**Relevant Country**" means, each of:

- (i) any country (or any political or regulatory authority thereof) in which a Reference Currency or the Settlement Currency is the legal tender or currency; and
- (ii) any country (or any political or regulatory authority thereof) with which a Share or the related Share Company has a material connection and, in determining what is material the Calculation Agent may, without limitation, refer to the country in which the Share Company is incorporated and/or such other factor(s) as it may deem appropriate,

all as determined by the Calculation Agent.

**"Relevant Time"** means, with respect to any Share, the relevant time by reference to which the Calculation Agent determines the price or value of such Share for the purposes of determining the Reference Level;

**"Settlement Currency"** is as defined in Product Condition 1;

**"Share"** means the or, as the case may be, each share specified in the definition of "Basket" in the column headed "Type of Basket Constituent" in Product Condition 1; and

**"Share Company"** means, with respect to a Share, the issuer specified for such Share in the definition of "Basket" in the column headed "Sponsor or Issuer of Basket Constituent" in Product Condition 1.

#### 4.1.2 *Market Disruption*

The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 if a Market Disruption Event has occurred on any date with respect to which the Calculation Agent would, but for the occurrence of a Market Disruption Event, have been required by the Product Conditions to determine the price or value of a Share.

**"Market Disruption Event"** means:

*[If the Reference Source for any Share is an exchange, a trading system or a quotation system insert:*

*[Insert the following two lines if section (ii) of Market Disruption Event definition is also used:*

(i) where the Reference Source for any Share is an exchange, a trading system or a quotation system as determined by the Calculation Agent,]

4.1.2.1 the occurrence or existence on any Trading Day at the Relevant Time for such Share or at any time during the one hour period that ends at the Relevant Time for such Share:

(G) of any suspension of or limitation imposed on trading (whether by reason of movements in price exceeding limits permitted by the relevant Reference Source or any Related Exchange or otherwise):

4.1.2.1.1 of the Share on the Reference Source or any Other Exchange; or

4.1.2.1.2 in options contracts or futures contracts relating to the Share on any Related Exchange; or

(B) of any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in relation to or to obtain market values for the Share on the relevant Reference Source or to effect transactions in or obtain market values for options contracts or futures contracts on or relating to such Share on any Related Exchange; or

- 4.1.2.2 the closure on any Trading Day of the Reference Source or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Source or such Related Exchange, as the case may be, at least one hour prior to (aa) the actual closing time for the regular trading session on such Reference Source or such Related Exchange on such Trading Day or, if earlier, (bb) the submission deadline (if applicable) for orders to be entered into the Reference Source or such Related Exchange system for execution at the Relevant Time on such Trading Day. A "**Scheduled Closing Time**" is the scheduled weekday closing time of the relevant Reference Source or Related Exchange, without regard to after hours or any other trading outside of the regular trading session hours; or
- 4.1.2.3 a general moratorium is declared in respect of banking activities in any Relevant Country; [or]

*[Insert if the Reference Source for any Share is located in an Emerging Market Country:*

- 4.1.2.4 where the Reference Currency is different from the Settlement Currency, the occurrence at any time of an event which the Calculation Agent determines would have the effect of preventing, restricting or delaying the Issuer and/or any of its Affiliates from:
- (i) converting the Reference Currency into the Settlement Currency through customary legal channels or transferring within or from any Relevant Country either currency, due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;
  - (ii) converting the Reference Currency into the Settlement Currency at a rate at least as favourable as the rate for domestic institutions located in any Relevant Country;
  - (iii) delivering the Reference Currency or Settlement Currency from accounts inside any Relevant Country to accounts outside such Relevant Country; or
  - (iv) transferring the Reference Currency or Settlement Currency between accounts inside any Relevant Country or to a party that is a non-resident of such Relevant Country; or
- 4.1.2.5 a Relevant Country (a) imposes any controls or announces its intention to impose any controls or (b)(i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer and/or any of its Affiliates' ability to acquire, hold, transfer or realise such Share or otherwise to effect transactions in relation to such Share,

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities[; and/or]]

**[If the Reference Source for any Share is not an exchange or trading system or a quotation system insert:**

**[Insert the following two lines if section (i) of Market Disruption Event definition is also used:**

- (ii) where the Reference Source for any Share is not an exchange, a trading system or a quotation system as determined by the Calculation Agent,
  - (a) it is not possible, for reasons beyond the reasonable control of the Calculation Agent, to determine the price or value (or an element of such price or value) of such Share by reference to such Reference Source in the manner specified in the definition of "Reference Level" in Product Condition 1 or in "Information relating to the Underlying", or otherwise according to the rules or normal or accepted procedures for the determination of such price or value (whether due to non-publication of such price or value or otherwise); or
  - (b) **[if section (i) is included above, insert: any event occurs as described in 4.1.2.3 [Insert if the Reference Source for any Share is located in an Emerging Market Country:, 4.1.2.4 and/or 4.1.2.5] above in relation to such Share,] OR [if section (i) is not included above, insert 4.1.2.3, 4.1.2.4 and 4.1.2.5 here renumbered as 4.1.2.1, 4.1.2.2 and 4.1.2.3 respectively]**

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities.]

#### 4.1.3 Potential Adjustment Events

Following the declaration by a Share Company of the terms of any Potential Adjustment Event, the Calculation Agent will determine whether such Potential Adjustment Event has a dilutive or concentrative or other effect on the theoretical value of the relevant Share and, if so, will (1) make the corresponding adjustment, if any, to any one or more of the Conditions as the Calculation Agent determines appropriate to account for that dilutive or concentrative or other effect; and (2) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by a Related Exchange to options contracts or futures contracts on the relevant Share traded on that Related Exchange.

Any adjustment or replacement made to account for a Potential Adjustment Event may take into account, as the Calculation Agent deems appropriate, any tax, duty, withholding, deduction or other change whatsoever (including but not limited to a change in the tax consequences) for the Issuer and/or, if applicable, any Affiliate as a result of the Potential Adjustment Event. Such change in tax consequences may include, but are not limited to, any changes resulting from any hedging arrangements carried out by the Issuer and/or, if applicable, any Affiliate in relation to the Securities.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4, stating the

adjustment made to the Conditions and giving brief details of the Potential Adjustment Event.

**"Potential Adjustment Event"** means any of the following:

- 4.1.3.1 a subdivision, consolidation or reclassification of relevant Shares (unless it has resulted in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- 4.1.3.2 a distribution, issue or dividend to existing holders of the relevant Shares of (1) such Shares, or (2) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Company equally or proportionately with such payments to holders of such Shares, or (3) share capital or other securities of another issuer as a result of a "spin-off" or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or in other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- 4.1.3.3 an extraordinary dividend;
- 4.1.3.4 a call by the Share Company in respect of relevant Shares that are not fully paid;
- 4.1.3.5 a repurchase by or on behalf of the Share Company or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- 4.1.3.6 in respect of a Share Company, an event that results in any shareholder rights being distributed, or becoming separated from shares of common stock or other shares of the capital stock of such Share Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent;
- 4.1.3.7 any redemption of shareholder rights referred to in 4.1.3.6 above; and
- 4.1.3.8 any other event that may have a diluting or concentrative or other effect on the theoretical value of the relevant Shares.

*4.1.4. Merger Event, Tender Offer, De-Listing, Nationalisation and Insolvency*

- (A) If a De-Listing occurs in relation to a Share (such Share being a "**Disrupted Share**"), the Calculation Agent shall substitute the Disrupted Share in the Basket with a Replacement Basket Constituent (as defined below) on the effective date for such De-Listing as determined by the Calculation Agent (the "**Replacement Date**"), whereupon:
  - (i) the Replacement Basket Constituent and its issuer will be deemed a "Basket Constituent" and a "Share Company" respectively; and
  - (ii) the Calculation Agent will adjust such other provisions of the Conditions as it deems necessary.
- (B) If a Share-for-Share Merger Event or a Share-for-Combined Merger Event or a Share-for-Share Tender Offer or a Share-for-Combined Tender Offer occurs in

relation to a Share other than a Reverse Merger (such Share being a “**Disrupted Share**”) and the issuer of the New Basket Constituent is not already a Share Company, then provided that the New Basket Constituents are, as of the Merger Date or Tender Date, promptly scheduled to be, (a) publicly quoted, traded or listed on an exchange or quotation system acceptable to the Calculation Agent and (b) not subject to any currency exchange controls, trading restrictions or other trading limitations the Calculation Agent shall substitute the Disrupted Share in the Basket with the New Basket Constituent on the Merger Date or Tender Date, as the case may be, as determined by the Calculation Agent (in each case the “**Replacement Date**”), whereupon:

- (i) the New Basket Constituent and its issuer will be deemed a "Basket Constituent" and a "Share Company" respectively; and
- (ii) the Calculation Agent will adjust such other provisions of the Conditions as it deems necessary.

(C) If a Merger Event or a Tender Offer occurs, which Merger Event or Tender Offer, as the case may be, does not fall within the substitution provisions of (B) above, in relation to a Share (such Share being a “**Disrupted Share**”), then the Calculation Agent shall substitute the Disrupted Share in the Basket with a Replacement Basket Constituent (as defined below) on the Merger Date or Tender Date, as the case may be, as determined by the Calculation Agent (in each case, the “**Replacement Date**”), whereupon:

- (i) the Replacement Basket Constituent and its issuer will be deemed a "Basket Constituent" and a "Share Company" respectively; and
- (ii) the Calculation Agent will adjust such other provisions of the Conditions as it deems necessary,

provided that, in the case of a Reverse Merger, the Calculation Agent may at its discretion elect instead to make such adjustments to the Conditions as it deems appropriate to account for the Reverse Merger and determine the effective date of those adjustments.

(D) If a Nationalisation or Insolvency occurs in relation to a Share (such Share being a “**Disrupted Share**”), the Calculation Agent shall substitute the Disrupted Share in the Basket with a Replacement Basket Constituent (as defined below) on the effective date of such event as determined by the Calculation Agent (the “**Replacement Date**”), whereupon:

- (i) the Replacement Basket Constituent and its issuer will be deemed a "Basket Constituent" and a "Share Company" respectively; and
- (ii) the Calculation Agent will adjust such other provisions of the Conditions as it deems necessary.

Upon the occurrence of a De-Listing, Merger Event, Tender Offer Nationalisation or Insolvency, the Calculation Agent will determine the Preceding Reference Level (as defined in "Performance Factor", in Product Condition 1) for such Replacement Basket Constituent or such New Basket Constituent as:

$$A \times \frac{B}{C}$$

where:

A equals the Reference Level for the Replacement Basket Constituent or the New Basket Constituent, as the case may be, on the Replacement Date;

B equals the Reference Level for the Disrupted Share on (i) in respect of the first Observation Date, the Initial Valuation Date; and (ii) in respect of each Observation Date other than the first Observation Date, [●] [the immediately preceding Observation Date]; and

C equals the Reference Level for the Disrupted Share on the Replacement Date, all subject as provided in the definition of Reference Level in Product Condition 1.

The determination of the Preceding Reference Level shall be used in the determination of the Performance Factor of such Replacement Basket Constituent or New Basket Constituent as a Basket Constituent pursuant to the provisions of Product Condition 1.

Upon the occurrence of a Merger Event, De-Listing, Tender Offer, Nationalisation or Insolvency, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 stating the occurrence of the Merger Event, De-Listing, Tender Offer, Nationalisation or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. However, Securityholders should be aware that there may necessarily be some delay between the time at which any of the above events occur and the time at which it is notified to Securityholders.

**“Replacement Basket Constituent”** means[, in the determination of the Calculation Agent in its sole discretion, the share with the highest free-float capitalisation in the same Industry Sector and the same Region as that of the Disrupted Share on the relevant Replacement Date, such free-float capitalisation as announced by MSCI or, if not announced, as determined by the calculation Agent in a comparable manner to MSCI, provided that such share is not a Share.] [●]

**“MSCI”** means the Morgan Stanley Capital Index, or any successor index or replacement index acceptable to the Calculation Agent (including, but not limited to, any successor index or replacement index where the Issuer or any of its Affiliates is the index sponsor).

**“Industry Sector”** means, in respect of any share, the industry sector allocated to such share by MSCI, as determined by the Calculation Agent, and as set out for that Share under the definition of Basket in the column headed “MSCI Industry Sector” and, in respect of a Replacement Basket Constituent, the industry sector allocated to such Replacement Basket Constituent by MSCI or which the Calculation Agent may determine to be appropriate by reference to such sources as it may select, including in circumstances where no industry sector is allocated to such share by MSCI and any such determination shall be conclusive and definitive of the Industry Sector.] [●]

**“Region”** means, in respect of a share, the region in which the issuer of the share is incorporated and as set out for that Share under the definition of Basket in the column headed “Region” and, in respect of a Replacement Basket Constituent, the region in which the issuer of such Replacement Basket Constituent is incorporated or, if different, in which it principally conducts its operations, all as determined by the Calculation Agent.] [●]

**“De-Listing”** means, for any Share for which the Reference Source is an exchange or a trading system or a quotation system, the Reference Source announces that pursuant to the rules of such Reference Source, such Share ceases (or will cease) to be listed, traded or publicly quoted on the Reference Source for any reason (other than a Merger Event or Tender Offer) and is not immediately re-listed, re-traded or re-quoted on an exchange, trading system or quotation system acceptable to the Calculation Agent.

**“Insolvency”** means, in relation to a Share, that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any



analogous proceeding affecting a Share Company (A) all the Shares of that Share Company are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Shares of that Share Company become legally prohibited from transferring them.

**"Merger Date"** means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

**"Merger Event"** means, in respect of any Share, any (i) reclassification of or change to such Share that results in a transfer of or an irrevocable commitment to transfer all holdings of such Share outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Share Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Company is the continuing entity and which does not result in a reclassification of or change to all such Shares outstanding) or (iii) other takeover offer exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Share Company that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than holdings of such Shares, owned or controlled by the offeror), or (iv) consolidation, amalgamation, merger or binding share exchange of the Share Company or its subsidiaries with or into another entity in which the Share Company is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event (a **"Reverse Merger"**), in each case if the Merger Date is on or before the final Observation Date.

In respect of each Merger Event or Tender Offer, the following terms have the meanings given below:

- (i) **"Share-for-Share"** means, (i) in respect of a Merger Event or Tender Offer, that the consideration for the relevant Share consists (or, at the option of the holder of such Shares, may consist) solely of New Basket Constituents and (ii) a Reverse Merger, and "Share-for-Share Merger Event" and "Share-for-Share Tender Offer" shall be construed accordingly;
- (ii) **"Share-for-Combined"** means, in respect of a Merger Event or Tender Offer, that the consideration for the relevant Share consists of Combined Consideration and "Share-for-Combined Merger Event" and "Share-for-Combined Tender Offer" shall be construed accordingly;
- (iii) **"New Basket Constituent"** means the ordinary or common shares whether of the entity or person (other than the Share Company) involved in the Merger Event or Tender Offer or a third party;
- (iv) **"Other Consideration"** means cash and/or any securities (other than New Basket Constituents) or assets (whether those of the offeror or of a third party); and
- (v) **"Combined Consideration"** means New Basket Constituents in combination with Other Consideration.

**"Nationalisation"** means that all holdings of the Share or all the assets or substantially all the assets of a Share Company (other than holdings of such Share owned or controlled by a governmental agency, authority or entity) are nationalised, expropriated or are otherwise required to be transferred to any such governmental agency, authority or entity.

**"Tender Date"** means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained, as determined by the Calculation Agent.

**"Tender Offer"** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Share Company, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.]

## Clause 4 Adjustment Provisions: Splitting

### 4. Adjustment Provisions

#### 4.[ ] *Splitting*

The Issuer shall have the right, exercisable in its sole discretion from time to time, to split the Securities so that each Securityholder holding one Security at the time of such split will thereafter hold a number of Securities as determined by the Issuer. Upon each split as aforesaid from time to time, the Issuer, shall give notice to the Securityholders in accordance with General Condition 4. Such notice shall be given at least 10 Business Days before any split is to be effected and give the date of such split and specify the adjusted Multiplier following such split. The Issuer shall also give notice to the Clearing Agents requesting that following any such split they amend their records accordingly. Any adjustment to the Multiplier will only be made to preserve the economic position and rights of the Securityholders after the split as compared to prior to the split.

## PRODUCT CONDITION 5: GOVERNING LAW AND PLACE OF JURISDICTION

***[Where the Securities are governed by English law, insert:***

The Securities are governed by and shall be construed in accordance with [English] [German] law. No person shall have any right to enforce any term or condition of the Securities under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.]

***[Where the Securities are governed by German law, insert:***

The Securities are governed by and shall be construed in accordance with [English] [German] law. The place of jurisdiction for all proceedings arising from matters provided for in these Conditions of the Securities shall, to the extent legally permitted, be [Frankfurt am Main] [●].]

## INFORMATION RELATING TO THE UNDERLYING

**[If Listing or Public Offer, insert:**

**[If a detailed description of the underlying is provided, insert:**

*The information below consists of extracts from, or summaries of, publicly available information. The Issuer accepts responsibility for accurately extracting such information. The Issuer has not independently verified any such information and takes no further or other responsibility (express or implied) in respect of such information.*

**[If the underlying is a Share or a Basket of Shares, or a Fund insert:**

Information about the past and further performance of the Underlying and its volatility can be found on the *Bloomberg* or *Reuters* page as provided for each security composing the Underlying in the table under Product Condition 1 in “Basket” or “Underlying” above<sup>11</sup>.

Each issuer of the security composing the Underlying also maintains an Internet Site at the following address where further information may be available in respect of the Underlying.

Name of Issuer	Website

**[If the underlying is an index or basket of indices which is/are *not* composed by Deutsche Bank, insert:**

Information about the past and further performance of the Underlying and its volatility can be found on the *Bloomberg* or *Reuters* page as provided for the, or each, index, as the case may be, composing the Underlying in the table under Product Condition 1 in “Basket” or “Underlying” above.

The sponsor of the, or each, index composing the Underlying also maintains an Internet Site at the following address where further information may be available in respect of the Underlying.

Name of Index Sponsor	Website

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<sup>11</sup> Basket or Underlying should specify the ISIN code and the Bloomberg Ticker or Reuters Code for each constituent

*[insert relevant disclaimer for each index (font 8, italic):*

[•]

*[If the underlying is a **Deutsche Bank Index**, insert an Index Description*

[•]

*[If the underlying is an **Interest rate**, insert a description of the Interest Rate:*

[•]

*[If the underlying is an **Other Security, Commodity, Foreign Exchange Rate or Future Contract**, insert a description of the underlying:*

[[•]

*[and insert:*

Further information about the past and further performance of the Underlying and its volatility can be found on the *Bloomberg* or *Reuters* page as provided for the, or each, security, as the case may be, composing the Underlying in the table under Product Condition 1 in “Basket” or “Underlying” above.]

## GENERAL CONDITIONS

*These General Conditions relate to the Securities and must be read in conjunction with, and are subject to, the Product Conditions set out in this document. The Product Conditions and the General Conditions together constitute the Conditions of the Securities and will be attached to the Global Security representing the Securities.*

### 1. Status of the Securities

The Securities constitute unsubordinated, unsecured contractual obligations of the Issuer and rank *pari passu* in all respects with each other.

### 2. Early Exercise, Redemption or Termination for Extraordinary Reasons, Illegality and Force Majeure

If the Issuer determines that, for reasons beyond its control, the performance of its obligations under the Securities has become illegal or impractical in whole or in part for any reason, or the Issuer determines that, for reasons beyond its control, it is no longer legal or practical for it to maintain its hedging arrangements with respect to the Securities for any reason, the Issuer may at its discretion and without obligation deem exercised, redeem or terminate the Securities early by giving notice to the Securityholders in accordance with General Condition 4.

Should any one or more of the provisions contained in the Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

If the Issuer exercises, redeems or terminates the Securities early, then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Securityholder in respect of each Security held by such holder equal to the fair market value of a Security notwithstanding such illegality or impracticality less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Securityholders in accordance with General Condition 4.

### 3. Purchases

The Issuer may, but is not obliged to, at any time purchase Securities at any price in the open market or by tender or private agreement. Any Securities so purchased may be held or resold or surrendered for cancellation.

### 4. Notices

#### 4.1. Validity

Notices to the Securityholders will be valid if delivered to the Clearing Agent(s) for communication by the Clearing Agent(s) to the Securityholders provided that so long as the Securities are listed on any stock exchange or publicly offered in any jurisdiction, any notice to the Securityholders shall be published in accordance with the rules and regulations of each such stock exchange and each such jurisdiction. In the Federal Republic of Germany it is expected that any notices to the Securityholders will normally be published in the *Börsen-Zeitung*. In Luxembourg, notices to Securityholders will normally be published in the *d'Wort*.

#### 4.2. Delivery

Notices given pursuant to 4.1 above will become effective on, if delivered to the Clearing Agent(s), the third day after such delivery to the Clearing Agent

or all the Clearing Agents (if more than one) or, if published (whether or not also so given), on the date of such publication, or, if published more than once, on the date of the first such publication or, if required to be published in more than one newspaper, on the date of the first such publication in all the required newspapers.

## **5. Agents, Calculation Agent, Determinations and Modifications**

### **5.1. Agents**

The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint additional Agents, provided that no termination of appointment of the Principal Agent shall become effective until a replacement Principal Agent shall have been appointed and provided that, if and to the extent that any of the Securities are listed on any stock exchange or publicly offered in any jurisdiction, there shall be an Agent having a specified office in each country if so required by the rules and regulations of each such stock exchange and the securities regulators in each such jurisdiction. Notice of any appointment, or termination of appointment, or any change in the specified office, of any Agent will be given to Securityholders in accordance with General Condition 4. Each Agent acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Securityholders. Any calculations or determinations in respect of the Securities made by an Agent shall (save in the case of manifest error) be final, conclusive and binding on the Securityholders.

### **5.2. Calculation Agent**

The Issuer shall undertake the duties of calculation agent (the “**Calculation Agent**” which expression shall include any successor calculation agent) in respect of the Securities unless the Issuer decides to appoint a successor Calculation Agent in accordance with the provisions below.

The Issuer reserves the right at any time to appoint another institution as the Calculation Agent, provided that no termination of appointment of the existing Calculation Agent shall become effective until a replacement Calculation Agent shall have been appointed. Notice of any such termination or appointment will be given to the Securityholders in accordance with General Condition 4.

The Calculation Agent (except where it is the Issuer) acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Securityholders. Any calculations or determinations in respect of the Securities made by the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Securityholders.

The Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

### **5.3. Determinations by the Issuer**

Any determination made by the Issuer pursuant to the Conditions shall (save in the case of manifest error) be final, conclusive and binding on the Securityholders.

### **5.4. Modifications**

The Issuer may, to the extent permitted by applicable law, modify the Conditions without the consent of the Securityholders or any of them in any manner which the Issuer may deem reasonably necessary in order to maintain or pre-



serve the intended commercial purpose of the Conditions if such modification does not materially adversely affect the interests of the Securityholders or is of a formal, minor or technical nature or intended to correct a manifest error or to cure, correct or supplement any defective provision contained therein. Notice of any such modification will be given to the Securityholders in accordance with General Condition 4 but failure to give, or non-receipt of, such notice will not affect the validity of any such modification.

## **6. Taxation**

In relation to each Security the relevant Securityholder shall pay all Securityholder Expenses as provided in the Product Conditions. All payments or, as the case may be, deliveries in respect of the Securities will be subject in all cases to all applicable fiscal and other laws and regulations (including, where applicable, laws requiring the deduction or withholding for, or on account of, any tax, duty or other charge whatsoever). The Issuer shall not be liable for or otherwise obliged to pay, and the relevant Securityholder shall be liable for and/or pay, any tax, duty, charge, withholding or other payment whatsoever which may arise as a result of, or in connection with, the ownership, any transfer, any payment and/or any delivery in respect of the Securities held by such Securityholder. The Issuer shall have the right, but shall not be obliged, to withhold or deduct from any amount payable or, as the case may be, any delivery due to the Securityholder such amount or portion as shall be necessary to account for or to pay any such tax, duty, charge, withholding or other payment. Each Securityholder shall indemnify the Issuer against any loss, cost or other liability whatsoever sustained or incurred by the Issuer in respect of any such tax, duty, charge, withholding or other payment as referred to above in respect of the Securities of such holder.

## **7. Further Issues**

The Issuer shall be at liberty from time to time without the consent of Securityholders or any of them to create and issue further securities so as to be consolidated and form a single series with the Securities.

## **8. Substitution**

### *8.1. Substitution of Issuer*

The Issuer, or any previous substituted company, may at any time, without the consent of the Securityholders substitute for itself as principal obligor under the Securities any company (the “**Substitute**”), being any subsidiary or affiliate of the Issuer, subject to:

- 8.1.1. the obligations of the Substitute under the Securities being guaranteed by Deutsche Bank AG (unless it is the Substitute);
- 8.1.2. all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Securities represent legal, valid and binding obligations of the Substitute having been taken, fulfilled and done and being in full force and effect;
- 8.1.3. the Issuer shall have given at least 30 days’ prior notice of the date of such substitution to the Securityholders in accordance with General Condition 4.

In the event of any substitution of the Issuer, any reference in the Conditions to the Issuer shall henceforth be construed as a reference to the Substitute.

## 8.2. *Substitution of Office*

The Issuer shall have the right upon notice to Securityholders in accordance with General Condition 4 to change the office through which it is acting for the purpose of the Securities, the date of such change to be specified in such notice provided that no change can take place prior to the giving of such notice.

## 9. **Replacement of Securities**

Should any Security be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Agent (or such other place of which notice shall have been given in accordance with General Condition 4) upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and as to indemnity as the Issuer may reasonably require. Mutilated or defaced Securities must be surrendered before replacements will be issued

## 10. **Adjustments for European Monetary Union**

### 10.1. *Redenomination*

The Issuer may, without the consent of the Securityholders, on giving notice to the Securityholders in accordance with General Condition 4 elect that, with effect from the Adjustment Date specified in the notice, certain terms of the Securities shall be redenominated in euro;

The election will have effect as follows:

- 10.1.1. where the Settlement Currency is the National Currency Unit of a country which is participating in the third stage of European Economic and Monetary Union, whether as from 1999 or after such date, such Settlement Currency shall be deemed to be an amount of euro converted from the original Settlement Currency into euro at the Established Rate, subject to such provisions (if any) as to rounding as the Issuer may decide and as may be specified in the notice, and after the Adjustment Date, all payments in respect of the Securities will be made solely in euro as though references in the Securities to the Settlement Currency were to euro;
- 10.1.2. where the Conditions contain a rate of exchange or any of the Conditions are expressed in a currency (the “**Original Currency**”) of a country which is participating in the third stage of European Economic and Monetary Union, whether as from 1999 or after such date, such rate of exchange and/or any other terms of the Conditions shall be deemed to be expressed in or, in the case of a rate of exchange, converted for or, as the case may be into, euro at the Established Rate; and
- 10.1.3. such other changes shall be made to the Conditions as the Issuer may decide to conform them to conventions then applicable to instruments expressed in euro.

### 10.2. *Adjustment to Conditions*

The Issuer may, without the consent of the Securityholders, on giving notice to the Securityholders in accordance with General Condition 4 make such adjustments to the Conditions as the Issuer may determine to be appropriate to account for the effect of the third stage of European Economic and Monetary Union pursuant to the Treaty on the Conditions.

### 10.3. *Euro Conversion Costs, etc.*

Notwithstanding Condition 10.1 and/or Condition 10.2, none of the Issuer, the Calculation Agent and any Agent shall be liable to any Securityholder or other person for any commissions, costs, losses or expenses in relation to or resulting from the transfer of euro or any currency conversion or rounding effected in connection therewith.

### 10.4. *Definitions*

In this General Condition, the following expressions have the following meanings:

**“Adjustment Date”** means a date specified by the Issuer in the notice given to the Securityholders pursuant to this Condition which falls, if the currency is that of a country not initially participating in the third stage of European Economic and Monetary Union pursuant to the Treaty, on or after such later date as such country does so participate;

**“Established Rate”** means the rate for the conversion of the Original Currency (including compliance with rules relating to rounding in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to the first sentence of Article 123(4), formerly 109 I (4) of the Treaty;

**“National Currency Unit”** means the unit of the currency of a country, as those units are defined on the day before the start of the third stage of European Economic and Monetary Union or, in connection with the expansion of such third stage, to any country which has not initially participated in such third stage;

**“Treaty”** means the treaty establishing the European Community.

## 11. **Definitions**

Terms in capitals which are not defined in these General Conditions shall have the meanings ascribed to them in the Product Conditions.

## COUNTRY SPECIFIC INFORMATION

*This section should be read in conjunction with, and is subject to, the Product Conditions, the General Conditions and all other sections of this document.*

### **Taxation**

[Subject to completion with reference to the type of Securities issued]

[Subscription Period] [Offering Period]

[In [Applicable country], applications to subscribe for the Securities may be made at the offices of [•] [Deutsche Bank AG], during the period commencing on [•] and ending on [•]. However, the Issuer reserves the right for any reason to close the subscription period prior to its stated expiry.] [The offer of the Securities starts on [•].] [•]

### **Settlement and Clearing**

The Global Security will be deposited with [•] [Clearstream Banking AG] and has been accepted for clearing by it under security and clearing codes set out below.

ISIN: [•]

WKN: [•]

Common Code: [•]

### **Agent in [Applicable country]**

In [Applicable Country], the Agent shall be [•] [Deutsche Bank AG] acting through its office in [•] [Frankfurt am Main]. The Agent shall act as the warrant agent or paying agent as appropriate at the following address: [•] [Alfred-Herrhausen-Allee, 16-24, D-65760, Eschborn, Germany (attention: Corporate Actions Department) (telephone: (69) 910 66817 and facsimile (69) 910 69218)].

## PARTY LIST

**Issuer:**

[Deutsche Bank AG  
Taunusanlage 12  
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Germany]

[Deutsche Bank AG, London Branch  
Winchester House  
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**Agent:**

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**[Paying Agent:**

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Germany]

[Deutsche Bank AG, London Branch  
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London EC2N 2DB  
United Kingdom]]

**[Listing Agent in Luxembourg:**

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14, boulevard Royal  
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**[Paying Agent in Luxembourg :**

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Luxembourg]