

This document constitutes the base prospectus of Dexia Kommunalbank Deutschland AG in respect of non equity securities within the meaning of Art. 22 No. 6 (3) of the Commission Regulation (EC) No 809/2004 of 29 April 2004, as amended (the "**Commission Regulation**") (the "**Base Prospectus**" or the "**Prospectus**").

Base Prospectus



## **DEXIA KOMMUNALBANK DEUTSCHLAND AG**

### **EUR 20,000,000,000 Debt Issuance Programme**

#### **for the issue of Pfandbriefe (as defined herein)**

Under the EUR 20,000,000,000 Debt Issuance Programme described in this Base Prospectus (the "**Programme**"), Dexia Kommunalbank Deutschland AG (the "**Issuer**" or "**DKD**") may from time to time issue Public Sector Pfandbriefe (*Öffentliche Pfandbriefe*) in bearer form (the "**Pfandbriefe**"). The aggregate principal amount of Pfandbriefe (issued under the Programme) outstanding will not at any time exceed EUR 20,000,000,000 (or the equivalent in other currencies).

This Prospectus constitutes a prospectus as defined in Article 5.4 of Directive 2003/71/EC, as amended (the "**Prospectus Directive**").

Application has been made to list Pfandbriefe issued under the Programme on the regulated market (*regulierter Markt*) of the Berlin Stock Exchange and on the official list of the Luxembourg Stock Exchange and to admit Pfandbriefe to trading on the Regulated Market of the Luxembourg Stock Exchange. Each of the regulated market of the Berlin Stock Exchange and the Regulated Market of the Luxembourg Stock Exchange is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EEC (a "**Regulated Market**"). The Issuer has requested the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") in its capacity as competent authority under the Luxembourg act relating to prospectuses for securities (*Loi relative aux prospectus pour valeurs mobilières*) which implements the Prospectus Directive into Luxembourg law (the "**Luxembourg Law**") to provide the competent authority in the Federal Republic of Germany ("**Germany**") with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the *Loi relative aux prospectus pour valeurs mobilières* ("**Notification**"). The Issuer may request the CSSF to provide competent authorities in additional Member States within the European Economic Area with a Notification. By approving a prospectus and in accordance with Article 7(7) of the Luxembourg Law, the CSSF shall give no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the issuer.

Pfandbriefe will be issued in tranches (each a "**Tranche**"), each Tranche consisting of Pfandbriefe which are identical in all respects. One or more Tranches, which are expressed to be consolidated and form a single series and are identical in all respects, but may have different issue dates, interest commencement dates, issue prices and dates for first interest payments may form a series ("**Series**") of Pfandbriefe. Further Pfandbriefe may be issued as part of an existing Series. The specific terms of each Tranche will be determined at the time of offering of such Tranche based on then prevailing market conditions and will be set forth in the applicable final terms (the "**Final Terms**") (the form of which is contained herein).

Pfandbriefe will be accepted for clearing through Clearstream Banking AG, Frankfurt am Main ("**CBF**"), Clearstream Banking, société anonyme, Luxembourg and/or Euroclear Bank SA/NV and will be deposited, in all cases, with CBF.

*Arranger*

**Deutsche Bank**

*Dealers*

**Commerzbank**

**Deutsche Bank**

**DZ BANK AG**

**HSBC**

**UniCredit Bank**

The date of this Base Prospectus is 13 May 2014. This Prospectus replaces the Prospectus dated 14 May 2013 with respect to the Programme and is valid for a period of twelve months from its date of approval.

The Issuer accepts responsibility for the information contained in this Prospectus and for the information which will be contained in the relevant final terms (the "Final Terms"). Certain of the information contained in the section "Description of Dexia Kommunalbank Deutschland AG - Organisational Structure" has been extracted and accurately reproduced from Dexia SA's press release dated 20 February 2014 and entitled "Dexia Group Consolidated Results 2013" ([http://www.dexia.com/EN/journalist/press\\_releases/Pages/default.aspx](http://www.dexia.com/EN/journalist/press_releases/Pages/default.aspx)). As far as the Issuer is aware and is able to ascertain from such extracted information, no facts have been omitted which would render the extracted information inaccurate or misleading. The Issuer declares, having taken all reasonable care to ensure that such is the case, that to the best of the knowledge of the Issuer the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Prospectus is to be read in conjunction with all documents which are incorporated herein by reference in accordance with Article 28 of the Commission Regulation (see "*General Information - Documents Incorporated by Reference*") and may only be used for the purposes for which it has been published.

No person has been authorised to give any information or to make any representation other than those contained in this Prospectus in connection with the issue or sale of the Pfandbriefe and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the dealers (the "Dealers"). Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Prospectus has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The Issuer has undertaken with the Dealers to supplement this Prospectus or publish a new Prospectus if and when the information herein should become materially inaccurate or incomplete, and has further agreed with the Dealers to furnish a supplement to this Prospectus in the event of any significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the Pfandbriefe and which arises or is noted between the time when this Prospectus has been approved and the final closing of the offer to the public of any tranche of Pfandbriefe or, as the case may be, the time when trading of any tranche of Pfandbriefe on a Regulated Market begins, whichever occurs later, in respect of Pfandbriefe issued on the basis of this Prospectus.

The distribution of this Prospectus and the offering or sale of the Pfandbriefe in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restriction.

The Pfandbriefe have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or with any securities regulatory authority of any state or other jurisdiction of the United States. The Pfandbriefe may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("Regulation S")) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The Pfandbriefe are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations.

The language of this Prospectus is English. The German versions of the English language Terms and Conditions of the Pfandbriefe and the Form of Final Terms are shown in this Prospectus for additional information. As to form and content, and all rights and obligations of the Holders and the Issuer under the Pfandbriefe to be issued, German shall be the controlling and binding language if so specified in the relevant Final Terms.

For a description of certain restrictions on offers and sales of the Pfandbriefe and on the distribution of this Prospectus, see "*Subscription and Sale*".

This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Pfandbriefe.

The Dealers have not separately verified the information contained in this Prospectus. None of the Dealers makes any representation, express or implied, or, to the extent permitted by the laws of any relevant jurisdiction, accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Prospectus. Neither this Prospectus nor any other financial statements are intended to provide the basis of

any credit or other evaluation and should not be considered as a recommendation by any of the Issuer or the Dealers that any recipient of the Prospectus or any other financial statements should purchase the Pfandbriefe. Each potential purchaser of Pfandbriefe should determine for itself the relevance of the information contained in this Prospectus and its purchase of Pfandbriefe should be based upon such investigation as it deems necessary. None of the Dealers undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Pfandbriefe of any information coming to the attention of any of the Dealers.

Each Dealer and/or each further financial intermediary subsequently reselling or finally placing Pfandbriefe issued under the Programme is entitled to use the Prospectus as set out in "*Consent to the Use of the Prospectus*" below.

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

This Prospectus contains certain forward-looking statements. Forward-looking statements are statements that do not relate to historical facts and events. They are based on analyses or forecasts of future results and estimates of amounts not yet determinable or foreseeable. These forward-looking statements are identified by the use of terms and phrases such as "*anticipate*", "*believe*", "*could*", "*estimate*", "*expect*", "*intend*", "*may*", "*plan*", "*predict*", "*project*", "*will*" and similar terms and phrases, including references and assumptions. This applies, in particular, to statements in this Prospectus containing information on future earning capacity, plans and expectations regarding DKD's business and management, its growth and profitability, and general economic and regulatory conditions and other factors that affect it.

Forward-looking statements in this Prospectus are based on current estimates and assumptions that the Issuer makes to the best of its present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including DKD's financial condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or described in these forward-looking statements. DKD's business is also subject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Prospectus to become inaccurate. Accordingly, investors are strongly advised to read the following sections of this Prospectus: "*Risk Factors*" and "*Description of Dexia Kommunalbank Deutschland AG*". These sections include more detailed descriptions of factors that might have an impact on DKD's business and the markets in which it operates.

In light of these risks, uncertainties and assumptions, future events described in this Prospectus may not occur. In addition, neither the Issuer nor the Dealers assume any obligation, except as required by law, to update any forward-looking statement or to conform these forward-looking statements to actual events or developments.

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## SUMMARY

Summaries are made up of disclosure requirements known as "*Elements*". These elements are numbered in Sections A – E (A.1 – E.7).

This summary (the "**Summary**") contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the Summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the Summary with the mention of "not applicable".

[The Summary contains options, characterised by square brackets or typesetting in italics (other than the respective translations of specific legal terms), and placeholders regarding the Pfandbriefe to be issued under the Programme. The summary of an individual issue of Pfandbriefe will include the options relevant to this issue of Pfandbriefe as determined by the applicable Final Terms and will contain the information, which had been left blank, as completed by the applicable Final Terms.]<sup>1</sup>

Element	Section A – Introduction and Warning	
A.1	<b>Warning</b>	<p style="text-align: center;"><b>Warning that:</b></p> <ul style="list-style-type: none"> <li>▪ this Summary should be read as an introduction to the Prospectus;</li> <li>▪ any decision to invest in the Pfandbriefe should be based on consideration of the Prospectus as a whole by the investor;</li> <li>▪ where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Prospectus before the legal proceedings are initiated; and</li> <li>▪ civil liability attaches only to the Issuer who has tabled the Summary including any translation thereof, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such Pfandbriefe.</li> </ul>
A.2	<b>Consent to the use of the Prospectus</b>	<p>[Each Dealer and/or each further financial intermediary subsequently reselling or finally placing the Pfandbriefe is entitled to use the Prospectus in Germany, Luxembourg and/or any other Member State within the European Economic Area whose competent authority has been provided with a notification by the CSSF for the subsequent resale or final placement of the Pfandbriefe during the offer period for the subsequent resale or final placement of the Pfandbriefe from [●] to [●], provided however, that the Prospectus is still valid in accordance with Article 11 of the Luxembourg act relating to prospectuses for securities (<i>Loi relative aux prospectus pour valeurs mobilières</i>) which implements Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (as amended).</p> <p>The Prospectus may only be delivered to potential investors together with all supplements published before such delivery. Any supplement to the Prospectus is available for viewing in electronic form on the website of the Luxembourg Stock Exchange (<a href="http://www.bourse.lu">www.bourse.lu</a>) and on the website of the Issuer (<a href="http://www.dexia.de">www.dexia.de</a>).</p> <p>When using the Prospectus, each Dealer and/or relevant further financial intermediary must ensure that it complies with all applicable laws and</p>

<sup>1</sup> To be deleted for the summary of an individual issue of Notes.

	<p>regulations in force in the respective jurisdictions.</p> <p><b>In the event of an offer being made by a Dealer and/or a further financial intermediary the Dealer and/or the further financial intermediary shall provide information to investors on the terms and conditions of the offer at the time of that offer.]</b></p> <p><b>[Not applicable. No consent has been given.]</b></p>
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Element	Section B – Issuer													
B.1	Legal and commercial name	Dexia Kommunalbank Deutschland AG ("DKD")												
B.2	Domicile / Legal form / Legislation / Country of incorporation	Domicile: Berlin, Federal Republic of Germany Legal form: Stock corporation ( <i>Aktiengesellschaft</i> ) Legislation: German law Country of incorporation: Federal Republic of Germany												
B.4b	Known trends affecting the Issuer and the industries in which it operates	Not applicable. There are no known trends which affect DKD and the industries in which it operates.												
B.5	Description of the Group and the Issuer's position within the Group	The Issuer belongs to the Dexia group of companies (the " <b>Dexia Group</b> ") which is headed by Dexia SA, Bruxelles (" <b>Dexia SA</b> "). Dexia Group is a European banking group with 1,885 members of staff and core shareholders' equity of EUR 9.96 billion as at 31 December 2013. 100 per cent. of DKD's shares are held by Dexia Crédit Local, Paris (" <b>DCL</b> "). 100 per cent. of DCL is held by Dexia SA.  The Issuer has no subsidiaries.												
B.9	Profit forecast or estimate	Not applicable. DKD has chosen not to include a profit forecast or estimate.												
B.10	Nature of any qualifications in the audit report on the historical financial information	Not applicable. There were no qualifications in the audit reports on historical financial information.												
B.12	Selected historical key financial information	<p>The following table presents a summary of selected financial information of the Issuer (in the case of information provided in relation to the balance sheet) at the dates specified or (in the case of information provided in relation to the income statement) for the financial years ended 31 December 2012 and 31 December 2013, respectively, which was in each case extracted from the audited non-consolidated annual financial statements of the Issuer in relation to the financial years ended 31 December 2012 and 31 December 2013, respectively (in each case prepared pursuant to German Generally Accepted Accounting Principles and in the German language):</p> <p><b>Balance sheet figures in EUR million</b></p> <table border="1"> <thead> <tr> <th></th> <th><b>31 December 2013</b></th> <th><b>31 December 2012</b></th> </tr> </thead> <tbody> <tr> <td>Balance sheet total</td> <td>39,545.7</td> <td>45,936.5</td> </tr> </tbody> </table> <p><b>Income statement figures in EUR million</b></p> <table border="1"> <thead> <tr> <th></th> <th><b>1 Jan. – 31 Dec. 2013</b></th> <th><b>1 Jan. – 31 Dec. 2012</b></th> </tr> </thead> <tbody> <tr> <td>Net interest income and commission income<sup>1</sup></td> <td>20.1</td> <td>8.6</td> </tr> </tbody> </table>		<b>31 December 2013</b>	<b>31 December 2012</b>	Balance sheet total	39,545.7	45,936.5		<b>1 Jan. – 31 Dec. 2013</b>	<b>1 Jan. – 31 Dec. 2012</b>	Net interest income and commission income <sup>1</sup>	20.1	8.6
	<b>31 December 2013</b>	<b>31 December 2012</b>												
Balance sheet total	39,545.7	45,936.5												
	<b>1 Jan. – 31 Dec. 2013</b>	<b>1 Jan. – 31 Dec. 2012</b>												
Net interest income and commission income <sup>1</sup>	20.1	8.6												

<sup>1</sup> Contains INCOME positions 1. and 4. and EXPENSES positions 1. and 2. of the income statement.

		General operating expenses <sup>1</sup>	(19.6)	(18.1)
		Net income (loss)	(1.6)	(19.6)
	<b>Trend information</b>	There has been no material adverse change in the prospects of the Issuer since 31 December 2013, the date of its last published audited financial statements.		
	<b>Significant change in the financial or trading position</b>	Not applicable. There has occurred no significant change in the financial or trading position of DKD since 31 December 2013, the end of the last period for which financial statements have been published by DKD.		
<b>B.13</b>	<b>Recent developments</b>	Not applicable. There are no recent developments particular to DKD, which are to a material extent relevant to the evaluation of DKD's solvency.		
<b>B.14.</b>	<b>See Element B.5.</b>  <b>Statement of dependency upon other entities within the group</b>	<p>The Issuer is fully integrated into the internal liquidity management system of DCL.</p> <p>DKD has the benefit of a Letter of Support issued by DCL on 28 February 2011 (the "<b>Letter of Support</b>"). Pursuant to the Letter of Support, DCL states, <i>inter alia</i>, that it undertakes to ensure that DKD will at all times be able to discharge all its commitments of whatever nature, particularly its financial commitments, when due. The Letter of Support is not a guarantee by DCL of any Pfandbriefe to be issued by DKD under the Programme. Since the Letter of Support has been issued in favour of DKD only, the Holders would not have a recourse right against DCL in the case of a default by DKD on any payments to be made under any Pfandbriefe to be issued under the Programme.</p>		
<b>B.15</b>	<b>Principal activities</b>	<p>When the Issuer started business operations on 26 February 1991, Public Finance and Mortgage Finance were the focus of the Issuer's activities. In 1998, the mortgage business was discontinued and Public Finance became the Issuer's single business field. Since 1999, the Issuer's business has been mainly focused on expanding its Public Finance business. In 2006, the Issuer decided to enter into the business sectors Project Finance and Municipal Corporate Finance.</p> <p>In its Transformation Plan, which was approved by the Management Board of Dexia SA on 13 November 2008 and announced on 14 November 2008 (the "<b>Transformation Plan</b>"), Dexia SA outlined the realignment of Dexia Group's business model. One of the consequences of the Transformation Plan for DKD was the discontinuance of its primary Public Finance business for the time being as well as its Project Finance business and Municipal Corporate Finance business in 2009. However, DKD continued to purchase high quality public sector assets from other Dexia Group companies and to provide funding for this by issuing Public Sector Pfandbriefe ("<b>Group Asset Purchasing Programme</b>"). Following renewed pressure on Dexia Group's liquidity situation and pursuant to the announcement on 4 October 2011 that the Dexia Group was to be restructured, the Board of Management of DKD decided to cease the Group Asset Purchasing Programme with immediate effect. The States of Belgium, France and Luxembourg then filed with regard to Dexia Group the Orderly Resolution Plan with the European Commission on 14 December 2012 which was approved and communicated by the European Commission on 28 December 2012. According to the Orderly Resolution Plan, DKD belongs to a group of companies which is required to orderly unwind its assets without entering into new lending business. The ultimate goal of DKD is therefore to decrease its securities and credit portfolios, using the natural maturity profile.</p> <p>In accordance with the Orderly Resolution Plan, DKD will, as has already been the case since October 2011, also not assign any new credit in the future, but will however operate additional new business</p>		

<sup>1</sup> Contains EXPENSES positions 4. and 5. of the income statement.

		as part of its liquidity and cover pool management. As a result, the focus of DKD's business activities shifts to the management of its securities and credit portfolios. Also, DKD will continue to provide refinancing to the Dexia Group.
<b>B.16</b>	<b>Major shareholders</b>	The subscribed capital of DKD amounted to EUR 432.50 million as of 31 December 2013. DKD's subscribed capital is divided into 432.50 million registered shares ( <i>Namensaktien</i> ) of EUR 1.00 each, which are fully paid up. 100 per cent. of DKD's shares are held by DCL. 100 per cent. of DCL is held by Dexia SA.
<b>B.17</b>	<b>Credit ratings of the Issuer or its debt securities</b>	Public Sector Pfandbriefe to be issued by DKD have received, in the case of long-term obligations, an "A+" rating from Standard & Poor's Credit Market Services Europe Limited (Niederlassung Deutschland) <sup>1</sup> .

<b>Element</b>	<b>Section C – The Pfandbriefe</b>	
<b>C.1</b>	<b>Class and type of the Pfandbriefe / Security Identification Number</b>	<b>Class</b> Pfandbriefe
		<b>[Fixed Rate Pfandbriefe]</b> The Pfandbriefe bear a fixed rate of interest throughout the entire term of the Pfandbriefe.]
		<b>[Floating Rate Pfandbriefe]</b> The Pfandbriefe will bear interest at a rate determined [(and as adjusted for the applicable margin)] on the basis of a reference rate appearing on the agreed screen page of a quotation service.]
		<b>ISIN</b> [•] <b>Common Code</b> [•] <b>WKN</b> [•]
<b>C.2</b>	<b>Currency</b>	The Pfandbriefe are issued in [•]
<b>C.5</b>	<b>Restrictions on free Transferability</b>	Not applicable. The Pfandbriefe are freely transferable.
<b>C.8</b>	<b>Rights attached to the Pfandbriefe (including limitations to those rights and ranking of the Pfandbriefe)</b>	<b>Status of the Pfandbriefe</b> The obligations under the Pfandbriefe constitute unsubordinated obligations of the Issuer ranking <i>pari passu</i> among themselves. The Pfandbriefe are covered in accordance with the Pfandbrief Act ( <i>Pfandbriefgesetz</i> ) and rank at least <i>pari passu</i> with all other obligations of the Issuer under Public Sector Pfandbriefe.
		<b>[Early redemption]</b> [The Pfandbriefe can be redeemed prior to their stated maturity at the option of the Issuer.]
		<b>[Early Redemption at the option of the Issuer at specified redemption amount(s)]</b> The Pfandbriefe can be redeemed in whole or in part at the option of the Issuer on the specified call redemption date[s] upon giving notice within the specified notice period to the Holders at the specified call redemption amount[s] together with accrued interest, if any, to (but excluding), the

<sup>1</sup> Standard & Poor's is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**"). The European Securities and Markets Authority publishes on its website ([www.esma.europa.eu](http://www.esma.europa.eu)) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.



		relevant call redemption date.]
<b>C.9</b>	<b>see Element C.8.</b>	
	<b>Interest rate</b>	[[●] per cent. <i>in the case of Fixed Rate Pfandbriefe.</i> ]
		<i>[In the case of Floating Rate Pfandbriefe</i> EURIBOR [[plus][minus] the margin of [●] per cent.] for each interest period. [The maximum interest rate is [●] per cent.] [The minimum interest rate is [●] per cent.]]
	<b>Interest commencement date</b>	[The issue date of the Pfandbriefe.] [●]
	<b>Interest payment dates</b>	[●]
	<b>Underlying on which interest rate is based</b>	[Not applicable <i>in the case of fixed rate Pfandbriefe.</i> The interest rate is not based on an underlying.]
		[EURIBOR <i>in the case of Floating Rate Pfandbriefe.</i> ]
	<b>Maturity date including repayment procedures</b>	[●]
		Payment of principal in respect of Pfandbriefe shall be made to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.
<b>Indication of yield</b>	[[●] per cent. <i>in the case of Fixed Rate Pfandbriefe.</i> ]	
	[Not applicable <i>in the case of Floating Rate Pfandbriefe.</i> No yield is calculated.]	
<b>Name of representative of the Holders</b>	Not applicable. No Holders' representative has been designated.	
<b>C.10</b>	<b>see Element C.9.</b>	
	<b>Explanation how the value of the investment is affected by the value of the underlying instrument</b>	Not applicable. The interest payment has no derivative component.
<b>[C.11]</b>	<b>Admission to trading on a regulated market or equivalent market</b>	[Regulated market of the Berlin Stock Exchange.] [Regulated market of the Luxemburg Stock Exchange.] [Not applicable. The Pfandbriefe will not be listed on any regulated market of any stock exchange.]]
<b>[C.21]</b>	<b>Indication of the market where the Pfandbriefe will be traded and for which the Prospectus has been published</b>	[Regulated market of the Berlin Stock Exchange.] [Regulated market of the Luxemburg Stock Exchange.] [Not applicable. The Pfandbriefe will not be listed on any regulated market of any stock exchange.]]

<b>Element</b>	<b>Section D – Risks Specific to the Issuer</b>	
<b>D.2</b>	<b>Key information on the key risks that are specific to the Issuer</b>	<p><b>General</b></p> <p>The most important risks the Issuer is exposed to are market price risks, counterparty risks, liquidity risks, operational risks and risks stemming from the deterioration of the economy in general and of business conditions, the methods employed by the Issuer to establish the fair value of the financial instruments it holds and from increased regulation.</p> <p><b>Market Price Risks</b></p> <p>The Issuer is subject to market price risks.</p> <p>Market price risk can be defined as the negative change in the value of the Issuer's overall portfolio as a result of price fluctuations or changes</p>

	<p>in parameters influencing prices (<i>e.g.</i> interest rates, credit spreads, foreign exchange rates and general financial markets liquidity risks). Essentially, interest rate risks (<i>i.e.</i> the risks that result from changes in general interest rates) and credit spread risks (<i>i.e.</i> the risks that result from changes in the creditworthiness of a counterparty) as elements of market price risks are relevant for the Issuer.</p> <p><b>Counterparty Risks</b></p> <p>The Issuer is subject to counterparty risks.</p> <p>Counterparty risk can be defined as the risk of potential losses of the Issuer caused by a business partner's failure to meet any or all of its contractual obligations.</p> <p><b>Risks Related to Certain Cover Pool Eligible Countries</b></p> <p>DKD's principal geographical markets are eligible countries in accordance with the Pfandbrief Act. Some of the European eligible countries DKD has exposure to are, <i>e.g.</i>, Portugal, Italy, Spain and Hungary.</p> <p>Due to the weak financial stability of some of these countries, any of DKD's investments in these countries could be subject to any revaluations/hair-cuts or payment defaults.</p> <p>Such measures or payment defaults could eventually lead to a downgrading of DKD's Public Sector Pfandbriefe.</p> <p><b>Liquidity Risks</b></p> <p>The Issuer is subject to liquidity risks.</p> <p>Liquidity risk can be defined as the danger that the Issuer will be unable to fulfill its current and future payment obligations in full or on time.</p> <p><b>Litigation Risks</b></p> <p>As at year-end 2013, DCL had been named a defendant in proceedings with 219 clients, of which 178 relate to loans booked with its former subsidiary Dexia Municipal Agency ("<b>DMA</b>") (subsequently renamed Caisse Française de Financement Local; "<b>CAFFIL</b>"), 20 relate to loans booked with DCL and 21 booked with both. DCL did not make any representation or give any warranty as to the loan assets of CAFFIL at the occasion of its divestment in January 2013, but DCL, as the legal representative of DMA up to the time of the sale, under certain conditions continues to be responsible for damages awarded to a borrower resulting from an infringement of its contractual or regulatory obligations in the origination or commercialisation of loans held by CAFFIL at the time of its divestment. As the Issuer is a subsidiary of DCL and is fully integrated in its internal liquidity management system and may be dependent from time to time on the provision of liquidity from DCL, litigation risks related to DCL may have adverse effects on the Issuer's liquidity.</p> <p>Since the beginning of 2014, DKD is engaged in legal proceedings with four public borrowers. In 2006 and 2007, DKD granted a number of certificates of indebtedness (<i>Schuldscheindarlehen</i>) with variable interest rates whose yields were linked to the exchange rate of the Swiss franc against the Euro. As at year-end 2013, these loans had a residual capital balance of approximately EUR 26 million. The final result of any such litigation may negatively influence the Issuer's earnings and cash flows.</p> <p><b>Operational Risks</b></p> <p>The Issuer is subject to operational risks.</p> <p>Operational risk is defined as the risk of direct or indirect losses that are incurred as the result of the inadequacy or failure of internal procedures and systems or people, or as a result of external events, and have financial or non-financial consequences. This definition also includes reputation and legal risks, but excludes strategic risk.</p>
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	<p><b>Deterioration of General Economy and Business Conditions</b></p> <p>The profitability of the Issuer's business could be adversely affected by a worsening of general economic conditions in certain individual markets. Factors such as interest rates, inflation, investor sentiment, the availability and cost of credit, the liquidity of the global financial markets and the level and volatility of equity prices could significantly affect the activity level of the Issuer's counterparts.</p> <p><b>Fair Value of Financial Instruments and Use of Estimates</b></p> <p>To establish the fair value of the financial instruments entered into or held by the Issuer, the Issuer relies on quoted market prices in active markets or, where the market for a financial instrument is not sufficiently active, valuation techniques. Measurable inputs for such valuation models may have become unavailable due to the disappearance of active markets for certain financial instruments.</p> <p>To the extent that valuation is based on models or inputs that are not observable in the market, the determination of fair value can be subjective. The effect of changing the assumptions for those financial instruments for which the fair values are measured using valuation techniques that are determined in full or in part on assumptions that are not supported by observable inputs may have a material adverse effect on the Issuer's profits.</p> <p><b>Increased Regulation</b></p> <p>Developments in the global markets during the course of the last few years have led to an increase in the involvement of various governmental and regulatory authorities in the financial sector and in the operations of financial institutions. Although it is uncertain how the more rigorous regulatory climate will impact the Issuer, it may have a significant influence on the refinancing options and capital costs of the Issuer.</p> <p><b>Rights of the Holders may be adversely affected by measures pursuant to the German Bank Restructuring Act (<i>Restrukturierungsgesetz</i>)</b></p> <p>The German Bank Restructuring Act (<i>Restrukturierungsgesetz</i>) provides for possibilities for the restructuring of credit institutions facing economic crisis at a stage before insolvency proceedings must be commenced. Measures pursuant to the German Bank Restructuring Act may, without the consent of the holders of the Pfandbriefe concerned in each case, negatively affect the legal position or may have negative impacts on the economic position of the holders of the Pfandbriefe.</p>
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Element	Section D – Risks Specific to the Pfandbriefe	
D.3	<p><b>Key information on the key risks that are specific to the Pfandbriefe</b></p>	<p><i>Pfandbriefe May not Be a Suitable Investment for All Investors</i></p> <p>Each potential investor in Pfandbriefe must determine the suitability of that investment in light of its own circumstances.</p> <p><i>Liquidity Risk</i></p> <p>There can be no assurance that a liquid secondary market for the Pfandbriefe will develop or, if it does develop, that it will continue. In an illiquid market, an investor might not be able to sell its Pfandbriefe at any time at fair market prices. The possibility to sell the Pfandbriefe might additionally be restricted by country specific reasons.</p> <p><i>Market Price Risk</i></p> <p>The Holder of Pfandbriefe is exposed to the risk of an unfavourable development of market prices of its Pfandbriefe, which materialises if the Holder sells the Pfandbriefe prior to the final maturity of such Pfandbriefe.</p> <p><i>Risk of Early Redemption</i></p> <p>A Holder of Pfandbriefe is exposed to the risk that due to early redemption his investment will have a lower than expected yield. Also, the Holder may only be able to reinvest on less favourable conditions as compared to the original investment.</p> <p><i>Currency Risk</i></p> <p>A Holder of Pfandbriefe denominated in a foreign currency is exposed to the risk that changes in currency exchange rates may affect the yield of such Pfandbriefe.</p> <p><i>Risk of a Downgrading of the Rating of Public Sector Pfandbriefe</i></p> <p>A downgrading of DKD's Public Sector Pfandbriefe by Standard &amp; Poor's could have a negative impact on DKD's funding costs and on DKD's relation to its investors and customers.</p> <p><i>[Fixed Rate Pfandbriefe]</i></p> <p>A Holder of Fixed Rate Pfandbriefe is exposed to the risk that the price of such Pfandbriefe falls as a result of changes in the market interest rate.]</p> <p><i>[Floating Rate Pfandbriefe]</i></p> <p>A Holder of Floating Rate Pfandbriefe is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the profitability of Floating Rate Pfandbriefe in advance.]</p> <p><i>Potential U.S. Withholding Tax under FATCA</i></p> <p>Under certain circumstances, the Issuer may be required to withhold U.S. tax in respect of Pfandbriefe issued on or after 1 July 2014 pursuant to U.S. and foreign legislation commonly referred to as FATCA. The Issuer will not make any gross-up payments in compensation of FATCA withholdings.</p>

Element	Section E – Offer of the Pfandbriefe	
E.2b	<p><b>Reasons for the offer and use of proceeds when different from making profit and/or hedging certain risks</b></p>	<p>The net proceeds from the issue will be used for general financing purposes of the Issuer.</p>
E.3	<p><b>A description of the terms and conditions of the offer</b></p>	<p>[No public offer is being made or contemplated.]</p> <p>[The total amount of the [issue] [offer] is [●].]</p> <p>[The offer period commences on [●] and ends on [●].]</p> <p>[The minimum subscription amount is [●].]</p>

		[The maximum subscription amount is [●].] [The expected price at which the Pfandbriefe will be offered is [●].] [●]]
<b>E.4</b>	<b>Any interest that is material to the issue/offer including conflicting interests</b>	[●]
<b>E.7</b>	<b>Estimated expenses charged to the investor by the Issuer or the offeror</b>	[●]

## GERMAN TRANSLATION OF THE SUMMARY

### ZUSAMMENFASSUNG

Zusammenfassungen sind zusammengesetzt aus Offenlegungspflichten, die als "*Punkte*" bekannt sind. Diese Punkte sind in die Abschnitte A – E (A.1 – E.7) nummeriert.

Diese Zusammenfassung (die "**Zusammenfassung**") enthält alle Punkte, die in eine Zusammenfassung für diese Art von Wertpapieren und Emittentin aufzunehmen sind. Da einige Punkte nicht zu berücksichtigen sind, kann die Nummerierung Lücken aufweisen.

Auch wenn ein Punkt wegen der Art der Wertpapiere und der Emittentin in die Zusammenfassung aufgenommen werden muss, ist es möglich, dass bezüglich dieses Punktes keine relevante Information gegeben werden kann. In einem solchen Fall ist in der Zusammenfassung eine kurze Beschreibung des Punktes unter Bezeichnung als "*nicht anwendbar*" enthalten.

[Die Zusammenfassung enthält durch eckige Klammern oder Kursivschreibung gekennzeichnete Optionen und Leerstellen bezüglich der Pfandbriefe, die unter dem Programm begeben werden können. Die Zusammenfassung einer einzelnen Emission von Pfandbriefen wird die nur für diese Emission von Pfandbriefen relevanten Optionen, wie durch die Endgültigen Bedingungen festgelegt, und die ausgelassenen Informationen beinhalten, die, durch die Endgültigen Bedingungen vervollständigt werden.]<sup>1</sup>

Punkt	Abschnitt A – Einleitung und Warnhinweis	
A.1	Warnhinweis	<b>Warnhinweis, dass</b> <ul style="list-style-type: none"> <li>▪ die Zusammenfassung als Einleitung zum Prospekt verstanden werden sollte;</li> <li>▪ sich der Anleger bei jeder Entscheidung in die Pfandbriefe zu investieren, auf den Prospekt als Ganzen stützen sollte;</li> <li>▪ ein Anleger, der wegen der in dem Prospekt enthaltenen Angaben Klage einreichen will, nach den nationalen Rechtsvorschriften seines Mitgliedstaats möglicherweise für die Übersetzung des Prospekts aufkommen muss, bevor das Verfahren eingeleitet werden kann; und</li> <li>▪ zivilrechtlich nur die Emittentin haftet, die die Zusammenfassung samt etwaiger Übersetzungen vorgelegt und übermittelt hat, und dies auch nur für den Fall, dass die Zusammenfassung verglichen mit den anderen Teilen des Prospekts irreführend, unrichtig oder inkohärent ist oder verglichen mit den anderen Teilen des Prospekts wesentliche Angaben, die in Bezug auf Anlagen in die betreffenden Wertpapiere für die Anleger eine Entscheidungshilfe darstellen, vermissen lassen.</li> </ul>
A.2	<b>Zustimmung zur Verwendung des Prospektes</b>	<p>[Jeder Platzeur und/oder jeder weitere Finanzintermediär, der die Pfandbriefe nachfolgend weiter verkauft oder endgültig platziert, ist berechtigt, den Prospekt in Deutschland, Luxemburg und/oder jedem anderen Mitgliedsstaat des Europäischen Wirtschaftsraums, an dessen zuständige Behörde der Prospekt von der CSSF notifiziert wurde, für den späteren Weiterverkauf oder die endgültige Platzierung der Pfandbriefe während der Angebotsperiode für den späteren Weiterverkauf oder die endgültige Platzierung vom [●] bis [●] zu verwenden, vorausgesetzt jedoch, dass der Prospekt in Übereinstimmung mit Artikel 11 des Luxemburger Wertpapierprospektgesetzes (<i>Loi relative aux prospectus pour valeurs mobilières</i>), welches die Richtlinie 2003/71/EG des Europäischen Parlaments und des Rates vom 4. November 2003 (in der jeweils geltenden Fassung) umsetzt, noch gültig ist.</p> <p>Der Prospekt darf potentiellen Investoren nur zusammen mit sämtlichen bis zur Übergabe veröffentlichten Nachträgen übergeben werden. Jeder Nachtrag zum Prospekt kann in elektronischer Form auf der Internetseite der Luxemburger Börse (<a href="http://www.bourse.lu">www.bourse.lu</a>) und der Internetseite der Emittentin (<a href="http://www.dexia.de">www.dexia.de</a>) eingesehen werden.</p>

<sup>1</sup> Für die Zusammenfassung einer einzelnen Emission von Schuldverschreibungen zu löschen.

		<p>Bei der Nutzung des Prospektes hat jeder Platzeur und/oder jeweiliger weiterer Finanzintermediär sicherzustellen, dass er alle anwendbaren, in den jeweiligen Jurisdiktionen geltenden Gesetze und Rechtsvorschriften beachtet.</p> <p><b>Für den Fall, dass ein Platzeur und/oder weiterer Finanzintermediär ein Angebot macht, informiert dieser Platzeur und/oder weiterer Finanzintermediär die Anleger zum Zeitpunkt der Angebotsvorlage über die Angebotsbedingungen der Pfandbriefe.]</b></p> <p><b>[Nicht anwendbar. Die Zustimmung wurde nicht erteilt.]</b></p>
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Punkt	Abschnitt B - Emittentin							
<b>B.1</b>	<b>Gesetzliche und kommerzielle Bezeichnung</b>	Dexia Kommunalbank Deutschland AG ("DKD")						
<b>B.2</b>	<b>Sitz / Rechtsform / geltendes Recht / Land der Gründung</b>	<p>Sitz: Berlin, Bundesrepublik Deutschland</p> <p>Rechtsform: Aktiengesellschaft</p> <p>Geltendes Recht: deutsches Recht</p> <p>Land der Gründung: Bundesrepublik Deutschland</p>						
<b>B.4b</b>	<b>Bereits bekannte Trends, die sich auf die Emittentin und die Branchen, in denen sie tätig ist, auswirken</b>	Nicht anwendbar. Es gibt keine bereits bekannten Trends, die sich auf die DKD und die Branchen, in der sie tätig ist, auswirken.						
<b>B.5</b>	<b>Beschreibung der Gruppe und der Stellung der Emittentin innerhalb dieser Gruppe</b>	<p>Die Emittentin gehört zur Dexia Gruppe von Unternehmen (die "<b>Dexia Gruppe</b>"), die von der Dexia SA, Brüssel ("<b>Dexia SA</b>") geführt wird. Die Dexia Gruppe ist eine europäische Bankengruppe, die zum 31. Dezember 2013 1.885 Mitarbeiter beschäftigte und ein Kernkapital von EUR 9,96 Milliarden aufwies. Die Aktien der DKD werden zu 100 % von der Dexia Crédit Local, Paris ("<b>DCL</b>") gehalten, deren Aktien wiederum zu 100 % von der Dexia SA gehalten werden.</p> <p>Die Emittentin hat keine eigenen Tochtergesellschaften.</p>						
<b>B.9</b>	<b>Gewinnprognosen oder -schätzungen</b>	Nicht anwendbar. Die DKD hat sich entschlossen, keine Gewinnprognosen oder -schätzungen anzugeben.						
<b>B.10</b>	<b>Art etwaiger Beschränkungen im Bestätigungsvermerk zu den historischen Finanzinformationen</b>	Nicht anwendbar. Es gab keine Beschränkungen in den Bestätigungsvermerken zu den historischen Finanzinformationen.						
<b>B.12</b>	<b>Ausgewählte wesentliche historische Finanzinformationen</b>	<p>Die folgende Tabelle zeigt eine zusammenfassende Darstellung ausgewählter Finanzinformationen der Emittentin zum jeweils angegebenen Datum (im Fall von Informationen, die sich auf die Bilanz beziehen) bzw. für die am 31. Dezember 2012 bzw. am 31. Dezember 2013 jeweils zu Ende gegangenen Geschäftsjahre (im Fall von Informationen, die sich auf die Gewinn- und Verlustrechnung beziehen). Alle Finanzinformationen wurden den jeweiligen geprüften, nicht-konsolidierten und nach HGB-Rechnungslegungsgrundsätzen erstellten, deutschsprachigen Jahresabschlüssen der Emittentin für die am 31. Dezember 2012 und 31. Dezember 2013 jeweils zu Ende gegangenen Geschäftsjahre entnommen.</p> <p><b>Bilanzkennzahlen in EUR Mio.</b></p> <table border="1"> <thead> <tr> <th></th> <th><u>31. Dezember 2013</u></th> <th><u>31. Dezember 2012</u></th> </tr> </thead> <tbody> <tr> <td>Bilanzsumme</td> <td>39.545,7</td> <td>45.936,5</td> </tr> </tbody> </table>		<u>31. Dezember 2013</u>	<u>31. Dezember 2012</u>	Bilanzsumme	39.545,7	45.936,5
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		<p><b>GuV-Kennzahlen in EUR Mio.</b></p> <table border="1"> <thead> <tr> <th></th> <th><u>1. Jan. – 31. Dez. 2013</u></th> <th><u>1. Jan. – 31. Dez. 2012</u></th> </tr> </thead> <tbody> <tr> <td>Zins- und Provisionsüberschuss<sup>1</sup></td> <td>20,1</td> <td>8,6</td> </tr> <tr> <td>Verwaltungsaufwendungen<sup>2</sup></td> <td>(19,6)</td> <td>(18,1)</td> </tr> <tr> <td>Jahresüberschuss (-fehlbetrag)</td> <td>(1,6)</td> <td>(19,6)</td> </tr> </tbody> </table>		<u>1. Jan. – 31. Dez. 2013</u>	<u>1. Jan. – 31. Dez. 2012</u>	Zins- und Provisionsüberschuss <sup>1</sup>	20,1	8,6	Verwaltungsaufwendungen <sup>2</sup>	(19,6)	(18,1)	Jahresüberschuss (-fehlbetrag)	(1,6)	(19,6)
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Jahresüberschuss (-fehlbetrag)	(1,6)	(19,6)												
	<b>Ausblick</b>	In den Aussichten der Emittentin gab es seit dem 31. Dezember 2013, dem Datum des letzten veröffentlichten geprüften Abschlusses, keine wesentlichen nachteiligen Veränderungen.												
	<b>Signifikante Veränderungen in der Finanzlage bzw. Handelsposition</b>	Nicht anwendbar. Es sind keine wesentlichen Veränderungen in der Finanzlage oder der Handelsposition der DKD seit dem 31. Dezember 2013, dem Ende des letzten Zeitraums, für den ein Abschluss von der DKD veröffentlicht wurde, eingetreten.												
<b>B.13</b>	<b>Letzte Entwicklungen</b>	Nicht anwendbar. Es hat keine Ereignisse in der jüngsten Geschäftstätigkeit der DKD gegeben, die für die Bewertung ihrer Zahlungsfähigkeit in hohem Maße relevant sind.												
<b>B.14</b>	<p><b>Siehe Punkt B.5</b></p> <p><b>Angabe zur Abhängigkeit von anderen Unternehmen innerhalb der Gruppe</b></p>	<p>Die Emittentin ist vollumfänglich in das interne Liquiditätsmanagement der DCL eingebunden.</p> <p>DKD profitiert von einer von der DCL am 28. Februar 2011 ausgestellten Patronatserklärung (die "<b>Patronatserklärung</b>"). Gemäß der Patronatserklärung erklärt die DCL unter anderem, dass sie sich verpflichtet sicherzustellen, dass die DKD zu jeder Zeit in der Lage sein wird, alle ihre Verpflichtungen, gleich welcher Art, insbesondere ihre finanziellen Verpflichtungen, bei Fälligkeit zu erfüllen. Die Patronatserklärung ist keine Garantie der DCL für von der DKD unter dem Programm zu begebende Pfandbriefe. Da die Patronatserklärung ausschließlich zu Gunsten der DKD ausgestellt wurde, würden Gläubiger kein Rückgriffsrecht auf die DCL haben, falls die DKD Zahlungen auf unter dem Programm zu begebende Pfandbriefe nicht oder nicht rechtzeitig leistet.</p>												
<b>B.15</b>	<b>Haupttätigkeiten</b>	<p>Nach der Aufnahme der Geschäftstätigkeit der Emittentin am 26. Februar 1991 lag der Schwerpunkt ihrer Aktivitäten auf dem Staatsfinanzierungsgeschäft und dem Hypothekenkreditgeschäft. Mit der Einstellung des Hypothekenkreditgeschäftes im Jahr 1998 wurde das Staatsfinanzierungsgeschäft zum einzigen Geschäftsfeld der Emittentin. Seit 1999 konzentriert sich die Emittentin in ihren Aktivitäten auf die Ausweitung des Staatsfinanzierungsgeschäfts. Im Jahr 2006 entschied sich die Emittentin, ihr Geschäftsfeld um die Bereiche der Projektfinanzierung sowie der Finanzierung von kommunalnahen Unternehmen zu erweitern.</p> <p>In dem vom Vorstand der Dexia SA am 13. November 2008 genehmigten und am 14. November 2008 verkündeten Transformationsplan (der "<b>Transformationsplan</b>") stellte die Dexia SA die Neuausrichtung des Geschäftsmodells der Dexia Gruppe dar. Eine der Konsequenzen des Transformationsplans für die DKD war die Einstellung des primären Staatsfinanzierungsgeschäfts (einstweilig) und des Projektfinanzierungsgeschäfts sowie des Finanzierungsgeschäfts mit kommunalnahen Unternehmen im Jahr 2009. Die DKD erwarb jedoch weiterhin hochwertige öffentliche Darlehen von anderen Unternehmen der Dexia Gruppe und finanzierte</p>												

<sup>1</sup> Setzt sich zusammen aus den Positionen ERTRÄGE 1. und 4. und AUFWENDUNGEN 1. und 2. der Gewinn- und Verlustrechnung.

<sup>2</sup> Setzt sich zusammen aus den Positionen AUFWENDUNGEN 4. und 5. der Gewinn- und Verlustrechnung.



		<p>dies durch die Begebung von Öffentlichen Pfandbriefen (das "<b>Aktiva-Ankaufprogramm der Gruppe</b>"). Im Zuge der erneuten Anspannung der Liquiditätssituation der Dexia Gruppe und aufgrund der Ankündigung vom 4. Oktober 2011, dass die Dexia Gruppe restrukturiert werden sollte, hat der Vorstand der DKD beschlossen, das Aktiva-Ankaufprogramm der Gruppe mit sofortiger Wirkung zu beenden. Die Staaten Belgien, Frankreich und Luxemburg haben dann am 14. Dezember 2012 bezüglich der Dexia Gruppe den Plan zur geordneten Abwicklung bei der Europäischen Kommission eingereicht, der von der Europäischen Kommission am 28. Dezember 2012 gebilligt und bekanntgegeben wurde. Gemäß dem von der Europäischen Kommission gebilligten Plan zur geordneten Abwicklung gehört die DKD zu einer Gruppe von Unternehmen, für die ein geordneter Abbau der Vermögenswerte ohne Neukreditgeschäft vorgesehen ist. Oberstes Ziel der DKD ist daher, ihre Wertpapier- und Kreditportfolien unter Nutzung des natürlichen Fälligkeitsprofils abzubauen.</p> <p>In Übereinstimmung mit dem Plan zur geordneten Abwicklung, wird die DKD, wie bereits seit Oktober 2011, auch in Zukunft keine neuen Kredite vergeben, jedoch weiterhin Neugeschäft im Rahmen der Liquiditäts- und Deckungsstocksteuerung betreiben. Dadurch verschiebt sich der Fokus der Geschäftsaktivitäten der DKD auf die Verwaltung und Bewirtschaftung ihrer Wertpapier- und Kreditportfolien.</p> <p>Darüber hinaus wird die DKD der Dexia Gruppe weiterhin zur Refinanzierung zur Verfügung stehen.</p>
<b>B.16</b>	<b>Hauptanteilseigner</b>	Zum 31. Dezember 2013 betrug das Grundkapital der DKD EUR 432,50 Millionen. Das Grundkapital der DKD setzt sich aus 432,50 Millionen Namensaktien zu je EUR 1,00 Nennbetrag zusammen, die voll eingezahlt sind. Die Aktien der DKD werden zu 100 % von der DCL gehalten, deren Aktien wiederum zu 100 % von der Dexia SA gehalten werden.
<b>B.17</b>	<b>Kreditratings der Emittentin oder ihrer Schuldtitel</b>	Öffentliche Pfandbriefe, die von der DKD emittiert werden, haben im Falle von langfristigen Verbindlichkeiten ein "A+" Rating von Standard & Poor's Credit Market Services Europe Limited (Niederlassung Deutschland) <sup>1</sup> erhalten.

<b>Punkt</b>	<b>Abschnitt C – Die Pfandbriefe</b>	
<b>C.1</b>	<b>Gattung und Art der Pfandbriefe / Wertpapierkennnummer</b>	<b>Gattung</b> Pfandbriefe.
		<b>[Fest verzinsliche Pfandbriefe]</b> Die Pfandbriefe werden über die gesamte Laufzeit der Pfandbriefe mit einem festen Zinssatz verzinst.]
		<b>[Variabel verzinsliche Pfandbriefe]</b> Die Pfandbriefe werden mit einem Zinssatz verzinst [(angepasst um die anwendbare Marge)], der auf der Basis eines Referenzzinssatzes bestimmt wird, der auf der vereinbarten Bildschirmseite eines Kursdienstes angezeigt wird.]
		<b>ISIN</b> [•] <b>Common Code</b> [•]

<sup>1</sup> Standard & Poor's hat seinen Sitz in der Europäischen Gemeinschaft und ist gemäß der Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen, in der jeweils geltenden Fassung (die "**Ratingagentur-Verordnung**"), registriert. Die Europäische Wertpapier- und Marktaufsichtsbehörde veröffentlicht auf ihrer Internetseite ([www.esma.europa.eu](http://www.esma.europa.eu)) ein Verzeichnis der nach der Ratingagentur-Verordnung registrierten Ratingagenturen. Dieses Verzeichnis wird innerhalb von fünf Werktagen nach Annahme eines Beschlusses gemäß Artikel 16, 17 oder 20 der Ratingagentur-Verordnung aktualisiert. Die Europäische Kommission veröffentlicht das aktualisierte Verzeichnis im Amtsblatt der Europäischen Union innerhalb von 30 Tagen nach der Aktualisierung.

		WKN [•]
C.2	Währung	Die Pfandbriefe werden in [•] begeben.
C.5	Beschränkungen der freien Übertragbarkeit	Nicht anwendbar. Die Pfandbriefe sind frei übertragbar.
C.8	Rechte, die mit den Pfandbriefen verbunden sind (einschließlich Beschränkungen dieser Rechte und Rang der Pfandbriefe)	<b>Status der Pfandbriefe</b> Die Pfandbriefe begründen nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander gleichrangig sind. Die Pfandbriefe sind nach Maßgabe des Pfandbriefgesetzes gedeckt und stehen mindestens im gleichen Rang mit allen anderen Verbindlichkeiten der Emittentin aus Öffentlichen Pfandbriefen.
		<b>[Vorzeitige Rückzahlung]</b> Die Pfandbriefe sind vor Ablauf ihrer festgelegten Fälligkeit nach Wahl der Emittentin rückzahlbar.]
		<b>[Vorzeitige Rückzahlung nach Wahl der Emittentin zu dem(n) festgelegten Rückzahlungsbetrag(beträgen)]</b> Die Pfandbriefe sind nach Wahl der Emittentin insgesamt oder teilweise an [dem] [den] festgelegten Wahl-Rückzahlungstag[en] unter Einhaltung der festgelegten Kündigungsfrist durch Kündigung gegenüber den Gläubigern rückzahlbar, und zwar zu [dem] [den] festgelegten Wahl-Rückzahlungs[betrag][beträgen] nebst etwaigen bis zum jeweiligen Rückzahlungstag (ausschließlich) aufgelaufener Zinsen.]
C.9	siehe Punkt C.8.	
	Zinssatz	[[•]% im Fall von fest verzinslichen Pfandbriefen.] [Im Fall von variabel verzinslichen Pfandbriefen der EURIBOR [[zuzüglich][abzüglich] der Marge in Höhe von [•]% für jede Zinsperiode] [Der Höchstzinssatz beträgt [•]%.] [Der Mindestzinssatz beträgt [•]%.]]
	Verzinsungsbeginn	[Tag der Ausgabe der Pfandbriefe.] [•]
	Zinszahlungstage	[•]
	Basiswert, auf dem der Zinssatz basiert	[Nicht anwendbar im Fall von fest verzinslichen Pfandbriefen. Der Zinssatz basiert nicht auf einem Basiswert.] [EURIBOR im Fall von variabel verzinslichen Pfandbriefen.]
	Fälligkeitstag einschließlich Rückzahlungsverfahren	[•] Zahlungen auf Kapital in Bezug auf die Pfandbriefe erfolgen an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.
	Rendite	[[•]% im Fall von fest verzinslichen Pfandbriefen] [Nicht anwendbar im Fall von variabel verzinslichen Pfandbriefen. Es wird keine Rendite berechnet.]
	Name des Vertreters der Gläubiger	Nicht anwendbar. Es ist kein Vertreter der Gläubiger bestellt.
C.10	siehe Element C.9.	
	Erläuterung, wie der Wert der Anlage durch den Wert des Basiswerts beeinflusst wird	Nicht anwendbar. Die Zinszahlung weist keine derivative Komponente auf.
C.11	Einführung in einen regulierten Markt oder einem gleichwertigen Markt	[Regulierter Markt der Berliner Börse.] [Regulierter Markt der Luxemburger Börse.] [Nicht anwendbar. Die Pfandbriefe werden an keinem regulierten Markt einer Börse notiert.]]
C.21	Angabe des Markts, an dem die Pfandbriefe	[Regulierter Markt der Berliner Börse.]

	<b>künftig gehandelt werden und für den ein Prospekt veröffentlicht wurde</b>	[Regulierter Markt der Luxemburger Börse.] [Nicht anwendbar. Die Pfandbriefe werden an keinem regulierten Markt einer Börse notiert.]]
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<b>Punkt</b>	<b>Abschnitt D – Risiken, die der Emittentin eigen sind</b>	
<b>D.2</b>	<b>Zentrale Angaben zu den zentralen Risiken, die der Emittentin eigen sind</b>	<p><b>Allgemein</b></p> <p>Die wichtigsten Risiken, denen die Emittentin ausgesetzt ist, sind Marktpreisrisiken, Adressenausfallrisiken, Liquiditätsrisiken, operationelle Risiken und Risiken, die von der Verschlechterung der Wirtschaft im Allgemeinen und der Geschäftsbedingungen, von den Methoden, die von der Emittentin zur Bewertung der Marktpreise der von ihr gehaltenen Finanzinstrumente angewandt werden, sowie von verstärkter Regulierung herrühren.</p> <p><b>Marktpreisrisiken</b></p> <p>Die Emittentin unterliegt Marktpreisrisiken.</p> <p>Das Marktpreisrisiko kann als eine negative Veränderung des Wertes des Gesamtportfolios der Emittentin aufgrund von Preisschwankungen oder Schwankungen von Parametern, welche die Preise beeinflussen (z.B. Zinssätze, Credit Spreads, Wechselkurse und allgemeine Liquiditätsrisiken an den Finanzmärkten), definiert werden. Im Wesentlichen sind für die Emittentin die Zinssatzrisiken (d.h. die Risiken, die aus Veränderungen der generellen Zinssätze resultieren) sowie Credit Spread-Risiken (d.h. Risiken, die aus Bönitätsveränderungen von Kontrahenten resultieren) als Bestandteile von Marktpreisrisiken relevant.</p> <p><b>Adressenausfallrisiken</b></p> <p>Die Emittentin unterliegt Adressenausfallrisiken.</p> <p>Das Adressenausfallrisiko kann als das Risiko eines potentiellen Verlustes der Emittentin definiert werden, das daraus entsteht, dass ein Geschäftspartner eine oder alle seine vertraglichen Verpflichtungen nicht erfüllt.</p> <p><b>Risiken in Bezug auf bestimmte deckungsstockfähige Länder</b></p> <p>Die geografischen Hauptmärkte der DKD sind die nach dem Pfandbriefgesetz deckungsstockfähigen Länder. Zu den europäischen deckungsstockfähigen Ländern, in denen die DKD deckungsstockfähige Aktiva hält, gehören u.a. Portugal, Italien, Spanien und Ungarn.</p> <p>Aufgrund der schwachen finanziellen Stabilität einiger dieser Länder könnten einige Anlagen der DKD in diesen Ländern Gegenstand von Neubewertungen/Hair-cuts oder Zahlungsausfällen sein.</p> <p>Solche Maßnahmen oder Zahlungsausfälle könnten gegebenenfalls zu einer Herabstufung des Ratings der Öffentlichen Pfandbriefe der DKD führen.</p> <p><b>Liquiditätsrisiken</b></p> <p>Die Emittentin unterliegt Liquiditätsrisiken.</p> <p>Das Liquiditätsrisiko kann als die Gefahr, dass die Emittentin ihren gegenwärtigen und zukünftigen Zahlungsverpflichtungen nicht vollständig oder zeitgerecht nachkommen kann, definiert werden.</p> <p><b>Prozessrisiken</b></p> <p>Bis zum Jahresende 2013 haben 219 Kunden der DCL gegen die DCL Klage erhoben. Hiervon betreffen 178 Klagen Darlehen, die von der ehemaligen Tochtergesellschaft Dexia Municipal Agency ("DMA") (später umbenannt in Caisse Française de Financement Local; "CAFFIL") verbucht wurden, 20 Klagen betreffen Darlehen, die von der DCL verbucht wurden, und 21 Klagen betreffen Darlehen, die von beiden Gesellschaften verbucht wurden. Die DCL hat keine Zusicherung oder</p>

	<p>Garantie bezüglich der Darlehen anlässlich der Veräußerung der CAFFIL im Januar 2013 abgegeben. Die DCL ist jedoch als gesetzlicher Vertreter der DMA bis zum Zeitpunkt der Veräußerung unter bestimmten Bedingungen weiterhin für Schadensersatzansprüche haftbar, die einem Darlehensnehmer aufgrund der Verletzung vertraglicher oder regulatorischer Pflichten während der Vermarktung und des Abschlusses der Darlehen zustehen, die von CAFFIL zum Verkaufszeitpunkt gehalten wurden.</p> <p>Da die Emittentin eine Tochtergesellschaft der DCL und vollumfänglich in das interne Liquiditätsmanagement der DCL eingebunden ist sowie gelegentlich von der Zurverfügungstellung von Liquidität durch die DCL abhängig sein kann, könnten die Prozessrisiken der DCL negative Auswirkungen auf die Liquiditätssituation der Emittentin haben.</p> <p>Seit Jahresanfang 2014 ist die DKD in vier Rechtsstreitigkeiten mit öffentlich-rechtlichen Darlehensnehmern involviert. In den Jahren 2006 und 2007 hat die DKD eine Reihe von variabel verzinslichen Schuldscheindarlehen gewährt, deren Verzinsung an die Wechselkursentwicklung des Schweizer Franken zum Euro gekoppelt ist. Zum Jahresende 2013 hatten diese Darlehen einen Restkapitalstand von knapp EUR 26 Mio. Das rechtskräftige Ergebnis eines solchen Rechtsstreits könnte auf das Ergebnis und den Kapitalfluss der Emittentin negative Auswirkungen haben.</p> <p><b>Operationelle Risiken</b></p> <p>Die Emittentin unterliegt operationellen Risiken.</p> <p>Das operationelle Risiko ist definiert als das Risiko von direkten oder indirekten Verlusten, die infolge der Unangemessenheit oder des Versagens von internen Verfahren und Systemen, von Menschen oder in Folge externer Ereignisse eintreten und finanzielle oder nicht finanzielle Auswirkungen haben. Diese Definition beinhaltet auch das Reputations- und das rechtliche Risiko, schließt aber das strategische Risiko aus.</p> <p><b>Verschlechterung der allgemeinen Wirtschaftslage und der Geschäftsbedingungen</b></p> <p>Die Ertragskraft des Geschäfts der Emittentin könnte negativ durch eine rückläufige Entwicklung der allgemeinen Wirtschaftslage in bestimmten einzelnen Marktsegmenten beeinflusst werden. Faktoren wie die Zinssätze, die Inflationsrate, die Stimmung unter den Investoren, die Verfügbarkeit und die Kosten eines Kredits, die Liquidität am globalen Finanzmarkt sowie das Niveau und die Volatilität von Aktienkursen könnten beträchtliche Auswirkungen auf die Aktivitäten der Geschäftspartner der Emittentin haben.</p> <p><b>Marktwert von Finanzinstrumenten und Nutzung von Schätzungen und Annahmen</b></p> <p>Um den Marktwert der von der Emittentin eingegangenen oder gehaltenen Finanzinstrumente festzustellen, ist die Emittentin auf notierte Marktpreise in aktiven Märkten, oder, für den Fall, dass der Markt für das Finanzinstrument nicht hinreichend aktiv ist, auf Bewertungsmethoden angewiesen. Messbare Marktvorgaben für solche Bewertungsmethoden könnten aufgrund des Wegfalls von aktiven Märkten für bestimmte Finanzinstrumente nicht mehr zur Verfügung stehen.</p> <p>In dem Maß, in dem die Bewertung auf Methoden oder Vorgaben beruht, die nicht mehr im Markt zu erkennen sind, kann die Festsetzung des Marktpreises subjektiver Natur sein. Die Folgen von Änderungen der Annahmen für diejenigen Finanzinstrumente, deren Marktwerte mit Hilfe von Bewertungsmethoden festgesetzt werden, die gänzlich oder zum Teil auf Schätzungen oder Annahmen beruhen, die ihrerseits nicht durch beobachtbare Eingaben verifiziert werden können, könnten eine wesentliche negative Auswirkung auf die Erträge der Emittentin haben.</p> <p><b>Verstärkte Regulierung</b></p> <p>Die Entwicklungen an den globalen Märkten in den letzten Jahren haben zu einer verstärkten Einbindung von unterschiedlichen Regierungs- und Aufsichtsbehörden im Finanzsektor und den Geschäften von</p>
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	<p>Finanzinstituten geführt. Obwohl es ungewiss ist, welchen Einfluss diese intensivere Beaufsichtigung der Finanzinstitute auf die Emittentin haben wird, könnte sie doch erhebliche Auswirkungen auf die Refinanzierungsmöglichkeiten und die Kapitalkosten der Emittentin haben.</p> <p><b>Die Rechte der Gläubiger können durch Maßnahmen aufgrund des Restrukturierungsgesetzes negativ beeinflusst werden</b></p> <p>Das Restrukturierungsgesetz sieht Möglichkeiten zur Restrukturierung von Kreditinstituten in wirtschaftlichen Schwierigkeiten in einem Stadium vor der Insolvenz des Kreditinstituts vor. Maßnahmen nach dem Restrukturierungsgesetz können gegen den Willen der jeweils betroffenen Gläubiger der Pfandbriefe Eingriffe in ihre Rechtsposition beinhalten oder für sie wirtschaftlich nachteilige Auswirkungen haben.</p>
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Punkt	Abschnitt D – Risiken, die den Pfandbriefen eigen sind	
D.3	<p><b>Zentrale Angaben zu den zentralen Risiken, die den Pfandbriefen eigen sind</b></p>	<p><i>Pfandbriefe als nicht geeignete Anlage für alle Investoren</i></p> <p>Jeder potentielle Anleger in Pfandbriefe muss die Geeignetheit dieser Anlage unter Berücksichtigung seiner eigenen Lebensumstände einschätzen.</p> <p><i>Liquiditätsrisiko</i></p> <p>Es besteht keine Gewissheit, dass ein liquider Sekundärmarkt für die Pfandbriefe entstehen wird, oder, sofern er entsteht, dass er fortbestehen wird. In einem illiquiden Markt könnte es sein, dass ein Anleger seine Pfandbriefe nicht jederzeit zu angemessenen Marktpreisen veräußern kann. Die Möglichkeit, Pfandbriefe zu veräußern, kann darüber hinaus aus landesspezifischen Gründen eingeschränkt sein.</p> <p><i>Marktpreisrisiko</i></p> <p>Der Gläubiger von Pfandbriefen ist dem Risiko nachteiliger Entwicklungen der Marktpreise seiner Pfandbriefe ausgesetzt, welches sich verwirklichen kann, wenn der Gläubiger seine Pfandbriefe vor Endfälligkeit veräußert.</p> <p><i>Risiko der Vorzeitigen Rückzahlung</i></p> <p>Der Gläubiger von Pfandbriefen ist dem Risiko ausgesetzt, dass infolge der vorzeitigen Rückzahlung seine Kapitalanlage eine geringere Rendite als erwartet aufweisen wird. Zudem könnte der Gläubiger nur in der Lage sein, eine Wiederanlage zu weniger günstigen Bedingungen im Vergleich zur ursprünglichen Anlage zu tätigen.</p> <p><i>Währungsrisiko</i></p> <p>Der Gläubiger von Pfandbriefen, die auf eine fremde Währung lauten, ist dem Risiko ausgesetzt, dass Wechselkursschwankungen die Rendite solcher Pfandbriefe beeinflussen können.</p> <p><i>Risiko der Herabstufung des Ratings der Öffentlichen Pfandbriefe</i></p> <p>Eine Herabstufung des Ratings der Öffentlichen Pfandbriefe der DKD durch Standard &amp; Poor's könnte nachteilige Auswirkungen auf die Refinanzierungskosten der DKD und das Verhältnis der DKD zu ihren Investoren und Kunden haben.</p> <p><i>[Festverzinsliche Pfandbriefe]</i></p> <p>Der Gläubiger von festverzinslichen Pfandbriefen ist dem Risiko ausgesetzt, dass der Kurs solcher Pfandbriefe infolge von Veränderungen des aktuellen Marktzinssatzes fällt.]</p> <p><i>[Variabel verzinsliche Pfandbriefe]</i></p> <p>Der Gläubiger von variabel verzinslichen Pfandbriefen ist dem Risiko eines schwankenden Zinsniveaus und ungewisser Zinserträge ausgesetzt. Ein schwankendes Zinsniveau macht es unmöglich, die Rendite von variabel verzinslichen Pfandbriefen im Voraus zu bestimmen.]</p> <p><b>Mögliche US-Quellensteuer gemäss FATCA</b></p> <p>Unter bestimmten Umständen könnte die Emittentin verpflichtet sein, US-Steuern aufgrund US-amerikanischer und ausländischer</p>

		Rechtsvorschriften, die allgemein als FATCA bezeichnet werden, in Bezug auf an oder nach dem 1. Juli 2014 begebene Pfandbriefe einzubehalten. Die Emittentin wird keine zusätzlichen Beträge zahlen, um diese Einbehaltungen zu kompensieren.
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<b>Punkt</b>	<b>Abschnitt E – Angebot von Pfandbriefen</b>	
<b>E.2b</b>	<b>Gründe für das Angebot und Zweckbestimmung der Erlöse, sofern diese nicht in der Gewinnerzielung und/oder der Absicherung bestimmter Risiken liegen.</b>	Der Emissionserlös der Emission wird für allgemeine Finanzierungszwecke der Emittentin verwendet.
<b>E.3</b>	<b>Beschreibung der Angebotskonditionen</b>	[Ein öffentliches Angebot findet nicht statt und wird nicht in Betracht gezogen.]  [Die Gesamtsumme [der Emission] [des Angebots] beträgt [●].] [Die Angebotsfrist beginnt am [●] und endet am [●].] [Der Mindestzeichnungsbetrag beträgt [●].] [Der Höchstzeichnungsbetrag beträgt [●].] [Der Preis, zu dem die Pfandbriefe voraussichtlich angeboten werden, ist [●].] [●]
<b>E.4</b>	<b>Beschreibung aller für die Emission/das Angebot wesentlichen, auch kollidierenden Interessen.</b>	[●]
<b>E.7</b>	<b>Schätzung der Ausgaben, die dem Anleger von der Emittentin oder dem Anbieter in Rechnung gestellt werden.</b>	[●]

## RISK FACTORS

*The following is a disclosure of risk factors that are material with respect to the Issuer and the Pfandbriefe issued under the Programme in order to assess the market risk associated with these Pfandbriefe. Prospective investors should consider these risk factors before deciding to purchase Pfandbriefe issued under the Programme, especially since in certain cases the investor may lose its entire investment or parts of it.*

*Prospective investors should consider all information provided in this Prospectus and consult with their own professional advisers (including their financial, accounting, legal and tax advisers) if they consider it necessary. In addition, investors should be aware that the risks described may combine and thus intensify one another.*

### *Risk Factors Regarding Dexia Kommunalbank Deutschland AG*

*The following is a disclosure of certain risks that may affect the Issuer's ability to fulfill its obligations under the Pfandbriefe. Prospective investors should consider these risks before deciding to purchase Pfandbriefe to be issued under the Programme.*

*Other risks of which the Issuer is currently not aware or which it does not consider to be material but which may also affect the Issuer's ability to fulfill its obligations under the Pfandbriefe may be of significance.*

#### *General*

Identifying and handling existing and/or potential risks is an integral part of entrepreneurship. Risk management means identifying and controlling risks that have been taken or are to be taken and making full use of the potential associated profit opportunities these risks present.

The Issuer's Board of Management defines a risk policy on the basis of legal and regulatory frameworks. In order to establish the Issuer's ability to carry and sustain risks (aggregate strategy), a "top-down" approach is used for identifying and measuring all quantifiable risks. An upper limit for losses is calculated for the various risks that may affect the ability of the Issuer to fulfill its obligations.

The most important risks the Issuer is exposed to are market price risks, counterparty risks, liquidity risks, operational risks and risks stemming from the deterioration of the economy in general and of business conditions, the methods employed by the Issuer to establish the fair value of the financial instruments it holds and from increased regulation.

#### *Market price risks*

The Issuer is subject to market price risks.

Market price risk can be defined as the negative change in the value of the Issuer's overall portfolio as a result of price fluctuations or changes in parameters influencing prices (*e.g.* interest rates, credit spreads, foreign exchange rates and general financial markets liquidity risks (*e.g.* possibility to obtain needed funding or to sell assets)). Essentially, interest rate risks (*i.e.* the risks that result from changes in general interest rates) and credit spread risks (*i.e.* the risks that result from changes in the creditworthiness of a counterparty) as elements of market price risks are relevant for the Issuer.

The Issuer uses the following risk measures based on market values to manage interest rate risks:

- The basis point value ("**BPV**") describes the potential loss of the net present value of the overall portfolio of the Issuer in the case of a shift in the interest rate curve.
- The interest rate value-at-risk method ("**VaR**") anticipates the maximum loss of the Issuer's overall portfolio that is due to changes in general interest rates and may occur in normal market conditions within a given period and with a pre-defined probability (*i.e.* a given confidence level). The Issuer calculates the VaR on a daily basis.
- Stress test scenarios show the impact extraordinary changes in yields and yield curve structures would have on the Issuer's overall portfolio.

### *Counterparty risks*

The Issuer is subject to counterparty risks.

Counterparty risk can be defined as the risk of potential losses of the Issuer caused by a business partner's failure to meet any or all of its contractual obligations.

The Issuer is exposed to many different industries and counterparties in the normal course of its business, but its exposure to counterparties in the financial services industry is significant. This exposure can arise through lending, deposit-taking, clearance and settlement and many other activities and relationships. These counterparties include brokers and dealers, commercial banks, investment banks, insurance companies and other institutional clients. Many of these relationships expose the Issuer to credit risk in the event of default of a counterparty. In addition, the Issuer's credit risk may be exacerbated when the collateral it holds cannot be realised or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure it is due. Many of the hedging and other risk management strategies utilised by the Issuer also involve transactions with financial services counterparties. A deteriorated solvency of these counterparties may impair the effectiveness of the Issuer's hedging and other risk management strategies.

In order to limit counterparty risks, defined credit lines and credit authorities have been set for all counterparties of the Issuer by the Board of Management in agreement with the Dexia Group.

A functional and disciplinary separation of commercial activity (= front side) and credit analysis (= support side) has been put in place at all levels to limit counterparty risks.

### *Risks related to certain cover pool eligible countries*

As described in the section "Description of Dexia Kommunalbank Deutschland AG – Business Overview – Principal Markets" DKD's principal geographical markets are eligible countries in accordance with the Pfandbrief Act. Some of the European eligible countries DKD has exposure to are, e.g., Portugal, Italy, Spain and Hungary.

Due to the weak financial stability of some of these countries, any of DKD's investments in these countries could be subject to any revaluations/hair-cuts or payment defaults.

Such measures or payment defaults could eventually lead to a downgrading of DKD's Public Sector Pfandbriefe as described in the section "Risk Factors – Risk Factors Regarding the Pfandbriefe – Risk of a Downgrading of the Rating of Public Sector Pfandbriefe" below.

### *Liquidity risks*

The Issuer is subject to liquidity risks.

The Issuer defines liquidity risk as the danger that the Issuer will be unable to fulfill its current and future payment obligations in full or on time.

Adverse and continued constraints in the supply of liquidity may reduce the value of the portfolios and adversely affect the cost of funding. An inability to access funds or to access the markets from which it raises funds may create stress on the Issuer's ability to finance its operations adequately. A dislocated credit environment compounds the risk that funds will not be available at favourable rates and/or required maturities. In addition, such liquidity shortage in other affected economies may create difficulties for the Issuer's borrowers to refinance or repay loans to the Issuer, which would result in deterioration of the credit quality of the Issuer's loan portfolio and potentially increase the Issuer's non-performing loan levels. If market conditions further deteriorate it cannot be excluded that at least some of the Issuer's borrowers (including e.g. governments on federal and state level, local authorities, public sector associations and municipal corporates) may become unable to repay loans due to the Issuer at maturity which would in turn adversely affect the Issuer's ability to repay due liabilities.

If the Issuer perceives a likelihood of impending deterioration in economic conditions, it may decrease its risk tolerance in its lending activities, which could have the effect of reducing its interest margin and interest income, and ultimately adversely affect the business, financial condition and results of operations of the Issuer. In addition, the Issuer may need to decide to hold assets rather than securitising, syndicating or disposing of them. This could restrict the Issuer's ability to enter into subsequent lending or other transactions as a result of the effect on capital adequacy ratios, which could have an adverse effect on the Issuer's ability to expand its business activities and subsequent earnings.

In its press statement of 20 February 2014, Dexia SA noted that the consolidated annual financial statements of Dexia SA for the financial year ended 31 December 2013, which were established on the going concern principle (in accounting, "going concern" principle refers to a company's ability to continue functioning as a business entity), were based on certain assumptions that are subject to specific external factors beyond the influence of the Dexia Group, so that their realisation is uncertain.



As the Issuer is part of the Dexia Group and is in particular dependent on the provision of liquidity from DCL, the statements of Dexia Group with regard to the "going concern" principle also indirectly apply to the Issuer.

#### *Litigation Risks*

As at year-end 2013, DCL had been named a defendant in proceedings with 219 clients, of which 178 relate to loans booked with its former subsidiary Dexia Municipal Agency ("**DMA**") (subsequently renamed Caisse Française de Financement Local; "**CAFFIL**"), 20 relate to loans booked with DCL and 21 booked with both. DCL did not make any representation or give any warranty as to the loan assets of CAFFIL at the occasion of its divestment in January 2013, but DCL, as the legal representative of DMA up to the time of the sale, under certain conditions continues to be responsible for damages awarded to a borrower resulting from an infringement of its contractual or regulatory obligations in the origination or commercialisation of loans held by CAFFIL at the time of its divestment. As the Issuer is a subsidiary of DCL and is fully integrated in its internal liquidity management system and may be dependent from time to time on the provision of liquidity from DCL, litigation risks related to DCL may have adverse effects on the Issuer's liquidity.

Since the beginning of 2014, DKD is engaged in legal proceedings with four public borrowers. In 2006 and 2007, DKD granted a number of certificates of indebtedness (*Schuldscheindarlehen*) with variable interest rates whose yields were linked to the exchange rate of the Swiss franc against the Euro. As at year-end 2013, these loans had a residual capital balance of approximately EUR 26 million. The final result of any such litigation may negatively influence the Issuer's earnings and cash flows.

#### *Operational risks*

The Issuer is subject to operational risks.

The Issuer defines operational risk as the risk of direct or indirect losses that are incurred as the result of the inadequacy or failure of internal procedures and systems or people, or as a result of external events, and have financial or non-financial consequences. This definition also includes reputation and legal risks, but excludes strategic risk. Identifying operational risks early is among the objectives of DKD along with recording and evaluation as well as monitoring and minimisation.

#### *Deterioration of General Economy and Business Conditions*

The profitability of the Issuer's business could be adversely affected by a worsening of general economic conditions in certain individual markets. Factors such as interest rates, inflation, investor sentiment, the availability and cost of credit, the liquidity of the global financial markets and the level and volatility of equity prices could significantly affect the activity level of the Issuer's counterparts. For example:

- an economic downturn or a significant change of interest rates could adversely affect the credit quality of the Issuer's on-balance sheet and off-balance sheet assets by increasing the risk that a greater number of the Issuer's customers would be unable to meet their obligations;
- a market downturn or worsening of the economy could cause the Issuer to incur mark to market losses in its portfolios; and
- a market downturn would be likely to lead to a decline in the volume of transactions that the Issuer executes and, therefore, lead to a decline in the income it receives from fees, commissions and interest.

#### *Fair Value of Financial Instruments and Use of Estimates*

To establish the fair value of the financial instruments entered into or held by the Issuer, the Issuer relies on quoted market prices in active markets or, where the market for a financial instrument is not sufficiently active, valuation techniques that utilise, wherever possible, measurable market inputs. Measurable inputs for such valuation models may have become unavailable due to the disappearance of active markets for certain financial instruments.

In case market prices are unavailable, the valuation is based on models or inputs in which case the determination of fair value can be subjective, dependant on the significance of the unobservable input to the overall valuation. Inputs are determined based on the best information available, for example by reference to similar assets or instruments, similar maturities or other analytical techniques. The effect of changing the assumptions for those financial instruments for which the fair values are measured using valuation techniques that are determined in full or in part on assumptions that are not supported by observable inputs may have a material adverse effect on the Issuer's profits.

Any value ultimately realised by the Issuer on the sale of a financial instrument will depend on the prices achievable in the market following the decision to sell which may be higher or lower than the instrument's current estimated value. If

there is a shortfall between the proceeds obtained on disposal and the value of the instrument there would be an adverse effect on the Issuer's profits.

#### *Increased Regulation*

Developments in the global markets during the course of the last few years have led to an increase in the involvement of various governmental and regulatory authorities in the financial sector and in the operations of financial institutions. In particular, governmental and regulatory authorities in the United States, in EU member states and elsewhere have provided additional capital and funding and are implementing other measures including increased regulatory control in their respective banking sectors including by imposing enhanced capital requirements (e.g. Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (CRR)). This may result in higher costs for the Issuer in relation to investments in information technology and human resources as well as in the requirement to hold a higher level of tier 1 and tier 2 capital. In addition there are other existing or planned measures which may increase the risk of losses of holders of notes issued by financial institutions (e.g. Proposal for a Directive of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms). Although it is uncertain how the more rigorous regulatory climate will impact the Issuer, it may have a significant influence on the refinancing options and capital costs of the Issuer.

#### *Rights of the Holders may be adversely affected by measures pursuant to the German Bank Restructuring Act (Restrukturierungsgesetz)*

Under the German Act on the Reorganisation of Credit Institutions (*Kreditinstitute-Reorganisationsgesetz* – "**KredReorgG**") the Issuer may borrow an amount of up to 10 per cent. of its equity that is preferred by mandatory provisions of law in an insolvency that occurs within three years.

As a German credit institution the Issuer is subject to the German Bank Restructuring Act (*Gesetz zur Restrukturierung und geordneten Abwicklung von Kreditinstituten, zur Errichtung eines Restrukturierungsfonds für Kreditinstitute und zur Verlängerung der Verjährungsfrist der aktienrechtlichen Organhaftung* – *Restrukturierungsgesetz*) which has introduced on 1 January 2011 a special restructuring scheme for German credit institutions.

Within a restructuring procedure a reorganisation plan may be approved by creditors and shareholders that imposes measures that may affect the rights of the Issuer's creditors, possibly through a reduction of existing claims or a suspension of payments. Such measures may, however, not affect Pfandbriefe. The KredReorgG stipulates detailed rules on the voting process and on the required majorities and to what extent and under which conditions negative votes may be disregarded.

If the existence of the Issuer is endangered (*Bestandsgefährdung*) and this in turn may result in jeopardy for the stability of the financial system (*Systemgefährdung*), the German Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – "**BaFin**") may issue an order that transfers all or part of its assets, legal relationships or liabilities to a bridge bank or other assuming entity. In such case, creditors bear the risk that their claims against the Issuer will remain with the Issuer or are subject to certain limitations and that recourse against any transferred assets or relationships is no longer directly possible.

### **Risk Factors Regarding the Pfandbriefe**

#### *Pfandbriefe May not Be a Suitable Investment for All Investors*

Each potential investor in Pfandbriefe must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Pfandbriefe, the merits and risks of investing in the relevant Pfandbriefe and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Pfandbriefe and the impact the Pfandbriefe will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Pfandbriefe, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Pfandbriefe and be familiar with the behaviour of financial markets; and

- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

#### *Liquidity Risk*

Application has been made in order for the Pfandbriefe to be issued under the Programme to be listed on the regulated market of the Berlin Stock Exchange and on the official list of the Luxembourg Stock Exchange and to be traded on the Regulated Market "*Bourse de Luxembourg*" of the Luxembourg Stock Exchange. In addition, Pfandbriefe issued under the Programme may not be listed at all. Regardless of whether the Pfandbriefe are listed or not, there can be no assurance that a liquid secondary market for the Pfandbriefe will develop or, if it does develop, that it will continue. The fact that the Pfandbriefe may be listed does not necessarily lead to greater liquidity as compared to unlisted Pfandbriefe. If the Pfandbriefe are not listed on any stock exchange, pricing information for such Pfandbriefe may, however, be more difficult to obtain which may affect the liquidity of the Pfandbriefe adversely. In an illiquid market, an investor might not be able to sell its Pfandbriefe at any time at fair market prices. The possibility to sell the Pfandbriefe might additionally be restricted by country specific reasons.

Investors should note that the prevailing and widely reported global credit market conditions (which continue at the date hereof) have adversely affected the liquidity not only in the primary market but also in the secondary market for debt securities issued by the Issuer and may affect the liquidity of any primary or secondary market in which Pfandbriefe to be issued by the Issuer may be traded. The Issuer cannot predict when these circumstances will change.

#### *Market Price Risk*

The development of market prices of the Pfandbriefe depends on various factors, such as changes of market interest rate levels, the policy of central banks, overall economic developments, inflation rates or the lack of or excess demand for the relevant type of Pfandbrief. The Holder of Pfandbriefe is therefore exposed to the risk of an unfavourable development of market prices of its Pfandbriefe which materialises if the Holder sells the Pfandbriefe prior to the final maturity of such Pfandbriefe. If the Holder decides to hold the Pfandbriefe until final maturity the Pfandbriefe will be redeemed at the amount set out in the relevant Final Terms.

#### *Risk of Early Redemption*

The applicable Final Terms will indicate whether the Issuer may have the right to call the Pfandbriefe prior to maturity (optional call right) on one or several dates determined beforehand. If the Issuer redeems the Pfandbriefe prior to maturity, a Holder of such Pfandbriefe is exposed to the risk that due to such early redemption its investment will have a lower than expected yield. The Issuer can be expected to exercise its optional call right if the yield on comparable debt securities in the capital market has fallen which means that the investor may only be able to reinvest the redemption proceeds in comparable debt securities with a lower yield. On the other hand, the Issuer can be expected not to exercise its optional call right if the yield on comparable debt securities in the capital market has increased. In this event an investor will not be able to reinvest the redemption proceeds in comparable debt securities with a higher yield. It should be noted, however, that the Issuer may exercise any optional call right irrespective of market interest rates on a call date.

#### *Currency Risk*

A Holder of Pfandbriefe denominated in a foreign currency is exposed to the risk of changes in currency exchange rates which may affect the yield of such Pfandbriefe. Changes in currency exchange rates result from various factors such as macro-economic factors, speculative transactions and interventions by central banks and governments.

A change in the value of any foreign currency against the Euro, for example, will result in a corresponding change in the Euro value of Pfandbriefe denominated in a currency other than Euro and a corresponding change in the Euro value of interest and principal payments made in a currency other than in Euro in accordance with the terms of such Pfandbriefe. If the underlying exchange rate falls and the value of the Euro correspondingly rises, the price of the Pfandbriefe and the value of interest and principal payments made thereunder expressed in Euro falls.

In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable currency exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

#### *Risk of a Downgrading of the Rating of Public Sector Pfandbriefe*

In order to provide a rating of Public Sector Pfandbriefe to be issued by DKD the rating agency Standard & Poor's assesses the quality of the assets in DKD's cover pool with respect to the inherent credit risk, the liquidity risk resulting

from the comparison of cash flows in relation to the assets contained in the cover pool and cash flows under the Public Sector Pfandbriefe and the adequacy of the overcollateralization required by Standard & Poor's. A downgrading of DKD's Public Sector Pfandbriefe could have a negative impact on DKD's funding costs and on DKD's relation to its investors and customers. As a consequence, the ability to issue Public Sector Pfandbriefe on the capital markets might be negatively affected to an extent that DKD's capability to operate profitably will be challenged.

#### *Fixed Rate Pfandbriefe*

A holder of Fixed Rate Pfandbriefe is exposed to the risk that the price of such Pfandbriefe falls as a result of changes in the market interest rate. While the nominal interest rate of Fixed Rate Pfandbriefe as indicated in the applicable Final Terms is fixed during the life of such Pfandbriefe, the current interest rate on the capital market for issues of the same maturity ("**market interest rate**") typically changes on a daily basis. As the market interest rate changes, the price of Fixed Rate Pfandbriefe also changes, but in the opposite direction. If the market interest rate increases, the price of Fixed Rate Pfandbriefe typically falls, until the yield of such Pfandbriefe is approximately equal to the market interest rate. If the market interest rate falls, the price of Fixed Rate Pfandbriefe typically increases, until the yield of such Pfandbriefe is approximately equal to the market interest rate. If the Holder of Fixed Rate Pfandbriefe holds such Pfandbriefe until maturity, changes in the market interest rate are without relevance to such Holder as the Pfandbriefe will be redeemed at a specified redemption amount, usually the principal amount of such Pfandbriefe.

#### *Floating Rate Pfandbriefe*

Floating Rate Pfandbriefe tend to be volatile investments. A Holder of Floating Rate Pfandbriefe is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the profitability of Floating Rate Pfandbriefe in advance. If Floating Rate Pfandbriefe are structured to include caps and/or floors the market value may be more volatile than those for Floating Rate Pfandbriefe that do not include these features. The effect of a cap is that the amount of interest will never rise above and beyond the predetermined cap, so that the Holder will not be able to benefit from any actual favourable development beyond the cap. The yield could therefore be considerably lower than that of similar Floating Rate Pfandbriefe without a cap.

Neither the current nor the historical value of the relevant floating rate should be taken as an indication of the future development of such floating rate during the term of any Pfandbriefe.

#### *Risks in connection with Caps*

If the interest rate of an issue of Pfandbriefe is not fixed but will be determined according to the structure of Pfandbriefe as set out in the relevant Final Terms of the Pfandbriefe, these issues may also be equipped with a cap. The effect of a cap is that the amount of interest will never rise above and beyond the predetermined cap, so that the Holder will not be able to benefit from any actual favourable development beyond the cap. The yield could therefore be considerably lower than that of similarly structured Pfandbriefe without a cap.

#### *Potential Withholding Tax after 31 December 2016*

Pursuant to (a) sections 1471 to 1474 of the U.S. Internal Revenue Code or any associated regulations or other official guidance (the "**U.S. Provisions**"); (b) any treaty, law, regulation or other official guidance enacted in any other country, which facilitates the implementation of the U.S. Provisions (the "**Foreign Provisions**"); or (c) any intergovernmental agreement between the United States and any other country, which facilitates the implementation of the U.S. Provisions (the "**Intergovernmental Agreement**"); or (d) any agreement regarding the implementation of the U.S. Provisions, the Foreign Provisions and any Intergovernmental Agreement entered into by the Issuer, a paying agent or an intermediary with the U.S. Internal Revenue Service, the U.S. government or any governmental or taxation authority in any other country (commonly referred to as "**FATCA**"), DKD and its non-U.S. subsidiaries may become subject to a 30 per cent. withholding tax on certain payments they receive unless they enter into an agreement (a "**FATCA agreement**") with the U.S. Internal Revenue Service (the "**IRS**") pursuant to which they agree to report to the IRS information about their "United States accounts" and comply with certain procedures to be further determined by the IRS. However, on 31 May 2013 the United States and the Federal Republic of Germany concluded an intergovernmental agreement to "Improve International Tax Compliance and with respect to the United States Information and Reporting Provisions Commonly Known as the Foreign Account Tax Compliance Act" (the "**German IGA**"). Under the German IGA, the United States and the Federal Republic of Germany have agreed to implement FATCA through domestic reporting duties for financial institutions, an automatic exchange of account information between the authorities of the two countries and on the basis of existing bilateral tax treaties. The German IGA entered into force in December 2013. To implement the German IGA, Germany has implemented a new section into its General Tax Act (*Abgabenordnung*) to allow for the collection and passing on of information. Germany will issue an Ordinance to govern the obligations of the German resident financial institutions. Since the provisions of the German IGA have entered into force in Germany, DKD and its German subsidiaries do not have to enter

into a FATCA agreement, but have to comply with the requirements under the German IGA in order to become a participating foreign financial institution ("**participating FFI**").

It can be expected that as participating FFIs DKD and its German subsidiaries will have to report to the German tax authorities (and thus, indirectly, to the IRS) accountholders that are U.S. persons for purposes of U.S. federal income taxation. In addition, DKD (or if payments on the Pfandbriefe are made through an intermediary such as a clearing system or broker that is a participating FFI, such participating FFI) may then be required, pursuant to the German IGA (or if payments on the Pfandbriefe are made through an intermediary pursuant to the intermediary's FATCA agreement or an applicable intergovernmental agreement), to apply a 30 per cent. withholding tax (a "**FATCA Withholding**") to any "foreign passthru payment" (including principal) made on the Pfandbriefe (i) to a foreign financial institution that is not a participating FFI, (ii) to accountholders who have not identified themselves as not being U.S. persons for purposes of U.S. federal income taxation or (iii) to accountholders who have not consented, where necessary, to have their information disclosed to the IRS or other applicable taxing authority. Under current guidance, the term "foreign passthru payment" is not defined (although conceptually the term may refer to the portion of each payment made by a participating FFI in the same ratio that such participating FFI's U.S.-source assets bears to its overall assets). This guidance is subject to change and it is not yet clear whether or to what extent payments by DKD (including payments on the Pfandbriefe) will be treated as foreign passthru payments.

However, provided the Pfandbriefe are not treated as equity for U.S. federal income tax purposes, and unless the Pfandbriefe are issued or materially modified on or after the date that is six months after the date of publication of final U.S. Treasury regulations defining the term "foreign passthru payment", no payment on a Pfandbrief issued before that date will be subject to FATCA Withholding. With respect to Pfandbriefe that are treated as equity for US federal income tax purposes or are issued, or materially modified, on or after the date that is six months after the date of publication of final U.S. Treasury regulations defining the term "foreign passthru payment" (non-grandfathered Pfandbriefe), payment in respect of the Pfandbriefe may become subject to FATCA Withholding. Nevertheless, no FATCA Withholding will be required on non-grandfathered Pfandbriefe before 1 January 2017.

The U.S. Treasury Department and the IRS recently issued final regulations that implement certain provisions of FATCA. The Treasury Department and the IRS may issue additional guidance and regulations that may alter the application of FATCA to DKD and the Pfandbriefe. Further, it is not yet clear whether or to what extent payments on non-grandfathered Pfandbriefe will be subject to FATCA under the rules in the German IGA.

Holders of the Pfandbriefe will not receive any gross-up payments in compensation of FATCA Withholdings. Holders of Pfandbriefe should consult their tax advisers regarding the application of FATCA to an investment in the Pfandbriefe and their ability to obtain a refund of any amounts withheld under FATCA.

## CONSENT TO THE USE OF THE PROSPECTUS

Each Dealer and/or each further financial intermediary subsequently reselling or finally placing Pfandbriefe issued under the Programme – if and to the extent this is so expressed in the Final Terms relating to a particular issue of Pfandbriefe – is entitled to use the Prospectus in Germany, Luxembourg and/or any other Member State within the European Economic Area whose competent authority has been provided with a notification by the CSSF for the subsequent resale or final placement of the relevant Pfandbriefe during the respective offer period (as determined in the applicable Final Terms) during which subsequent resale or final placement of the relevant Pfandbriefe can be made, provided however, that the Prospectus is still valid in accordance with Article 11 of the Luxembourg act relating to prospectuses for securities (*Loi relative aux prospectus pour valeurs mobilières*) which implements the Prospectus Directive into Luxembourg law. The Issuer accepts responsibility for the information given in this Prospectus also with respect to such subsequent resale or final placement of the relevant Pfandbriefe.

The Prospectus may only be delivered to potential investors together with all supplements published before such delivery. Any supplement to the Prospectus is available for viewing in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of the Issuer ([www.dexia.de](http://www.dexia.de)).

When using the Prospectus, each Dealer and/or relevant further financial intermediary must ensure that it complies with all applicable laws and regulations in force in the respective jurisdictions.

**In the event of an offer being made by a Dealer and/or a further financial intermediary the Dealer and/or the further financial intermediary shall provide information to investors on the terms and conditions of the offer at the time of that offer.**

**Any Dealer and/or a further financial intermediary using the Prospectus shall state on its website that it uses the Prospectus in accordance with this consent and the conditions attached to this consent.**

## GENERAL DESCRIPTION OF THE PROGRAMME

### I. General

Under this EUR 20,000,000,000 Debt Issuance Programme, the Issuer may from time to time issue Pfandbriefe to one or more of the Dealers (as defined herein). The maximum aggregate principal amount of Pfandbriefe from time to time outstanding under the Programme will not exceed EUR 20,000,000,000 (or its equivalent in any other currency). The Issuer may increase the amount of the Programme in accordance with the terms of the Dealer Agreement (as defined below) from time to time.

Pfandbriefe will be issued on a continuous basis to one or more of the Dealers and any additional Dealer appointed under the Programme from time to time by the Issuer, which appointment may be for a specific issue or on an ongoing basis. Pfandbriefe may be distributed by way of offers to the public or private placements and, in each case, on a syndicated or non-syndicated basis. The method of distribution of each tranche of Pfandbriefe (the "**Tranche**") will be stated in the applicable final terms. The Pfandbriefe may be offered to qualified and non-qualified investors.

Pfandbriefe will be issued in Tranches, each Tranche consisting of Pfandbriefe which are identical in all respects. One or more Tranches, which are expressed to be consolidated and form a single series and are identical in all respects, but having different issue dates, interest commencement dates, issue prices and dates for first interest payments may form a series ("**Series**") of Pfandbriefe. Further Pfandbriefe may be issued as part of existing Series.

Pfandbriefe will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) and as indicated in the applicable Final Terms save that the minimum denomination of the Pfandbriefe will be, if in euro, EUR 1,000, or, if in any currency other than euro, in an amount in such other currency nearly equivalent to EUR 1,000 at the time of the issue of Pfandbriefe. Subject to any applicable legal or regulatory restrictions, and requirements of relevant central banks, Pfandbriefe may be issued in euro or any other currency. The Pfandbriefe will be freely transferable.

Pfandbriefe may be issued at an issue price which is at par or at a discount to, or premium over, par, as stated in the applicable Final Terms. The issue price for Pfandbriefe to be issued will be determined at the time of pricing on the basis of a yield which will be determined on the basis of the orders of the investors which are received by the Dealers. Orders will specify a minimum yield and may only be confirmed at or above such yield. The resulting yield will be used to determine an issue price, all to correspond to the yield.

The yield for Pfandbriefe with fixed interest rates will be calculated by the use of the ICMA method, which determines the effective interest rate of notes taking into account accrued interest on a daily basis.

Application has been made to list Pfandbriefe issued under the Programme on the regulated market (*regulierter Markt*) of the Berlin Stock Exchange and on the official list of the Luxembourg Stock Exchange and to admit Pfandbriefe to trading on the Regulated Market of the Luxembourg Stock Exchange. Pfandbriefe may further be issued under the Programme which will not be listed on any stock exchange.

Banque Internationale à Luxembourg, société anonyme will act as Luxembourg listing and paying agent and Dexia Kommunalbank Deutschland AG will act as fiscal agent and paying agent (the "**Fiscal Agent**") under the Programme.

Pfandbriefe will be accepted for clearing through Clearstream Banking AG, Frankfurt am Main ("**CBF**"), Clearstream Banking, société anonyme, Luxembourg and Euroclear Bank SA/NV and will be deposited, in all cases, with CBF.

### II. Issue Procedures

#### *General*

The Issuer and the relevant Dealer(s) will agree on the terms and conditions applicable to each particular Tranche of Pfandbriefe (the "**Conditions**"). The Conditions will be constituted by the relevant set of Terms and Conditions of the Pfandbriefe set forth below (the "**Terms and Conditions**") as further specified by the Final Terms (the "**Final Terms**") as described below.

#### *Options for sets of Terms and Conditions*

A separate set of Terms and Conditions applies to each type of Pfandbriefe, as set forth below. The Final Terms provide for the Issuer to choose between the following Options:

- Option I – Terms and Conditions for Pfandbriefe with fixed interest rates; and
- Option II – Terms and Conditions for Pfandbriefe with floating interest rates.

### ***Documentation of the Conditions***

The Issuer may document the Conditions of an individual issue of Pfandbriefe in either of the following ways:

- The Final Terms shall be completed as set out therein. The Final Terms shall determine which of the Option I or Option II, including certain further options contained therein, respectively, shall be applicable to the individual issue of Pfandbriefe by replicating the relevant provisions and completing the relevant placeholders of the relevant set of Terms and Conditions as set out in the Prospectus in the Final Terms. The replicated and completed provisions of the set of Terms and Conditions alone shall constitute the Conditions, which will be attached to each global note representing the Pfandbriefe of the relevant Tranche. This type of documentation of the Conditions will be required where the Pfandbriefe are publicly offered, in whole or in part, or are to be initially distributed, in whole or in part, to non-qualified investors.
- Alternatively, the Final Terms shall determine which of Option I or Option II and of the respective further options contained in each of Option I and Option II are applicable to the individual issue by referring to the relevant provisions of the relevant set of Terms and Conditions as set out in the Prospectus only. The Final Terms will specify that the provisions of the Final Terms and the relevant set of Terms and Conditions as set out in the Prospectus, taken together, shall constitute the Conditions. Each global note representing a particular Tranche of Pfandbriefe will have the Final Terms and the relevant set of Terms and Conditions as set out in the Prospectus attached.

### ***Determination of Options / Completion of Placeholders***

The Final Terms shall determine which of the Option I or Option II shall be applicable to the individual issue of Pfandbriefe. Each of the sets of Terms and Conditions of Option I or Option II contains also certain further options (characterised by indicating the respective optional provision through instructions and explanatory notes set out in square brackets within the text of the relevant set of Terms and Conditions as set out in the Prospectus) as well as placeholders (characterised by square brackets which include the relevant items) which will be determined by the Final Terms as follows:

#### ***Determination of Options***

The Issuer will determine which options will be applicable to the individual issue either by replicating the relevant provisions in the Final Terms or by reference in the Final Terms to the respective sections of the relevant set of Terms and Conditions as set out in the Prospectus. If the Final Terms do not refer to an alternative or optional provision or such alternative or optional provision is not replicated therein it shall be deemed to be deleted from the Conditions.

#### ***Completion of Placeholders***

The Final Terms will specify the information with which the placeholders in the relevant set of Terms and Conditions will be completed. In the case the provisions of the Final Terms and the relevant set of Terms and Conditions, taken together, shall constitute the Conditions the relevant set of Terms and Conditions shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the placeholders of such provisions.

All instructions and explanatory notes and text set out in square brackets in the relevant set of Terms and Conditions and any footnotes and explanatory text in the Final Terms will be deemed to be deleted from the Conditions.

### ***Controlling Language***

As to the controlling language of the respective Conditions, the following applies:

- In the case of Pfandbriefe (i) offered to the public, in whole or in part, or (ii) initially distributed, in whole or in part, to non-qualified investors, German will be the controlling language. If, in the event of such offers to the public or distribution to non-qualified investors, however, English is chosen as the controlling language, a German language translation of the Conditions will be available from the principal offices of the Fiscal Agent and the Issuer, as specified on the back cover of this Prospectus.
- In other cases, the Issuer will elect either German or English to be the controlling language.



## TERMS AND CONDITIONS OF PFANDBRIEFE

### ANLEIHEBEDINGUNGEN FÜR PFANDBRIEFE

#### *Einführung*

Die Anleihebedingungen für die Pfandbriefe (die "Anleihebedingungen") sind nachfolgend in zwei Optionen aufgeführt:

Option I umfasst den Satz von Anleihebedingungen, der auf Tranchen von Pfandbriefen mit fester Verzinsung Anwendung findet.

Option II umfasst den Satz von Anleihebedingungen, der auf Tranchen von Pfandbriefen mit variabler Verzinsung Anwendung findet.

Der Satz von Anleihebedingungen für jede dieser Optionen enthält bestimmte weitere Optionen, die entsprechend gekennzeichnet sind, indem die jeweilige optionale Bestimmung durch Instruktionen und Erklärungen in eckigen Klammern innerhalb des Satzes von Anleihebedingungen kenntlich gemacht wird.

In den Endgültigen Bedingungen wird die Emittentin festlegen, ob Option I oder Option II (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) für eine einzelne Emission von Pfandbriefen Anwendung findet, indem entweder die betreffenden Angaben wiederholt werden oder auf die betreffenden Optionen verwiesen wird.

Soweit die Emittentin zum Zeitpunkt der Billigung dieses Prospekts keine Kenntnis von bestimmten Angaben hatte, die auf eine einzelne Emission von Pfandbriefen anwendbar sind, enthält dieser Prospekt Leerstellen in eckigen Klammern, die die maßgeblichen durch die Endgültigen Bedingungen zu vervollständigenden Angaben enthalten.

**[Falls die Endgültigen Bedingungen, die für eine einzelne Emission anwendbar sind, nur auf die weiteren Optionen verweisen, die im Satz von Anleihebedingungen für Option I oder Option II enthalten sind, ist Folgendes anwendbar:** Die Bestimmungen dieser Anleihebedingungen gelten für diese Pfandbriefe so, wie sie durch die Angaben der endgültigen Bedingungen (die "Endgültigen Bedingungen") vervollständigt werden. Die Leerstellen in den auf die Pfandbriefe anwendbaren Bestimmungen dieser Anleihebedingungen gelten als durch die in den Endgültigen Bedingungen enthaltenen Angaben ausgefüllt, als ob die Leerstellen in den betreffenden Bestimmungen durch diese Angaben ausgefüllt wären; alternative oder wählbare Bestimmungen dieser Anleihebedingungen, deren Entsprechungen in den Endgültigen Bedingungen nicht ausgefüllt oder die gestrichen sind, gelten als aus diesen Anleihebedingungen gestrichen; sämtliche auf die Pfandbriefe nicht anwendbaren Bestimmungen dieser Anleihebedingungen (einschließlich der Anweisungen, Anmerkungen und der Texte in eckigen Klammern) gelten als aus diesen

### TERMS AND CONDITIONS OF PFANDBRIEFE

#### *Introduction*

The Terms and Conditions of the Pfandbriefe (the "Terms and Conditions") are set forth below in two options:

Option I comprises the set of Terms and Conditions that applies to Tranches of Pfandbriefe with fixed interest rates.

Option II comprises the set of Terms and Conditions that applies to Tranches of Pfandbriefe with floating interest rates.

The set of Terms and Conditions for each of these Options contains certain further options, which are characterised accordingly by indicating the respective optional provision through instructions and explanatory notes set out in square brackets within the set of Terms and Conditions.

In the Final Terms the Issuer will determine, whether Option I or Option II (including certain further options contained therein), respectively, shall apply with respect to an individual issue of Pfandbriefe, either by replicating the relevant provisions or by referring to the relevant options.

To the extent that upon the approval of this Prospectus the Issuer had no knowledge of certain items which are applicable to an individual issue of Pfandbriefe, this Prospectus contains placeholders set out in square brackets which include the relevant items that will be completed by the Final Terms.

**[In the case the Final Terms applicable to an individual issue only refer to the further options contained in the set of Terms and Conditions for Option I or Option II the following applies:** The provisions of these Terms and Conditions apply to the Pfandbriefe as completed by the terms of the final terms (the "Final Terms"). The blanks in the provisions of these Terms and Conditions which are applicable to the Pfandbriefe shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the placeholders of such provisions; alternative or optional provisions of these Terms and Conditions as to which the corresponding provisions of the Final Terms are not completed or are deleted shall be deemed to be deleted from these Terms and Conditions; and all provisions of these Terms and Conditions which are inapplicable to the Pfandbriefe (including instructions, explanatory notes and text set out in square brackets) shall be deemed to be deleted from these Terms and Conditions, as required to give effect to the terms of the Final Terms. Copies of the Final Terms may be obtained free of charge at the

Anleihebedingungen gestrichen, so dass die Bestimmungen der Endgültigen Bedingungen Geltung erhalten. Kopien der Endgültigen Bedingungen sind kostenlos bei der bezeichneten Geschäftsstelle der Emissionsstelle sowie bei der Hauptgeschäftsstelle der Emittentin erhältlich; bei nicht an einer Börse notierten Pfandbriefen sind Kopien der betreffenden Endgültigen Bedingungen allerdings ausschließlich für die Gläubiger solcher Pfandbriefe erhältlich.]

**OPTION I – Anleihebedingungen für Pfandbriefe mit fester Verzinsung**

**§ 1  
WÄHRUNG, STÜCKELUNG, FORM,  
DEFINITIONEN**

(1) *Währung; Stückelung.* Diese Serie der Öffentlichen Pfandbriefe (die "Pfandbriefe") der Dexia Kommunalbank Deutschland AG (die "Emittentin") wird in **[festgelegte Währung]** (die "festgelegte Währung") im Gesamtnennbetrag von **[Gesamtnennbetrag]** (in Worten: **[Gesamtnennbetrag in Worten]**) in der Stückelung von **[festgelegte Stückelung]** (die "festgelegte Stückelung") begeben.

(2) *Form.* Die Pfandbriefe lauten auf den Inhaber.

**[Im Fall von Pfandbriefen, die durch eine Dauerglobalurkunde verbrieft sind, ist Folgendes anwendbar:**

(3) *Dauerglobalurkunde.* Die Pfandbriefe sind durch eine Dauerglobalurkunde (die "Dauerglobalurkunde" oder die "Globalurkunde") ohne Zinsscheine verbrieft. Die Dauerglobalurkunde trägt die Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und des von der Bundesanstalt für Finanzdienstleistungsaufsicht bestellten Treuhänders und ist von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.]

**[Im Fall von Pfandbriefen, die anfänglich durch eine vorläufige Globalurkunde verbrieft sind (für Pfandbriefe, die in Übereinstimmung mit den D Rules begeben werden), ist Folgendes anwendbar:**

(3) *Vorläufige Globalurkunde – Austausch.*

(a) Die Pfandbriefe sind anfänglich durch eine vorläufige Globalurkunde (die "vorläufige Globalurkunde") ohne Zinsscheine verbrieft. Die vorläufige Globalurkunde wird gegen Pfandbriefe in der festgelegten Stückelung, die durch eine Dauerglobalurkunde (die "Dauerglobalurkunde" und (zusammen mit der vorläufigen Globalurkunde) die "Globalurkunden" und (jeweils) eine "Globalurkunde") ohne Zinsscheine verbrieft sind, ausgetauscht. Die vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und des von der Bundesanstalt für Finanzdienstleistungsaufsicht bestellten

specified office of the Fiscal Agent and at the head office of the Issuer *provided that*, in the case of Pfandbriefe which are not listed on any stock exchange, copies of the relevant Final Terms will only be available to Holders.]

**OPTION I – Terms and Conditions that apply to Pfandbriefe with fixed interest rates**

**§ 1  
CURRENCY, DENOMINATION, FORM,  
DEFINITIONS**

(1) *Currency; Denomination.* This Series of Public Sector Pfandbriefe (*Öffentliche Pfandbriefe*) (the "Pfandbriefe") of Dexia Kommunalbank Deutschland AG (the "Issuer") is being issued in **[Specified Currency]** (the "Specified Currency") in the aggregate principal amount of **[aggregate principal amount]** (in words: **[aggregate principal amount in words]**) in the denomination of **[specified Denomination]** (the "specified Denomination").]

(2) *Form.* The Pfandbriefe are being issued in bearer form.

**[In the case of Pfandbriefe which are represented by a Permanent Global Note the following applies:**

(3) *Permanent Global Note.* The Pfandbriefe are represented by a permanent global note (the "Permanent Global Note" or the "Global Note") without interest coupons. The Permanent Global Note shall be signed by authorised signatories of the Issuer and the independent trustee appointed by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) and shall be authenticated by or on behalf of the Fiscal Agent. Definitive Pfandbriefe and interest coupons will not be issued.]

**[In the case of Pfandbriefe which are initially represented by a Temporary Global Note (for Pfandbriefe issued in compliance with the D Rules) the following applies:**

(3) *Temporary Global Note – Exchange.*

(a) The Pfandbriefe are initially represented by a temporary global note (the "Temporary Global Note") without interest coupons. The Temporary Global Note will be exchangeable for Pfandbriefe in the specified Denomination represented by a permanent global note (the "Permanent Global Note" and, together with the Temporary Global Note, the "Global Notes" and, each, a "Global Note") without interest coupons. The Temporary Global Note and the Permanent Global Note shall each be signed by authorised signatories of the Issuer and the independent trustee appointed by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) and shall each be

Treuhänders und sind jeweils von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

(b) Die vorläufige Globalurkunde wird frühestens an einem Tag (der "Austauschtag") gegen die Dauerglobalurkunde austauschbar, der 40 Tage, aber nicht mehr als 180 Tage, nach dem Tag der Ausgabe der vorläufigen Globalurkunde liegt. Ein solcher Austausch soll nur nach Vorlage von Bescheinigungen gemäß U.S. Steuerrecht erfolgen, wonach der oder die wirtschaftlichen Eigentümer der durch die vorläufige Globalurkunde verbrieften Pfandbriefe keine U.S.-Person(en) ist/sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Pfandbriefe über solche Finanzinstitute halten). Zinszahlungen auf durch eine vorläufige Globalurkunde verbrieft Pfandbriefe erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist hinsichtlich einer jeden solchen Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der vorläufigen Globalurkunde eingeht, wird als ein Ersuchen behandelt werden, diese vorläufige Globalurkunde gemäß diesem Absatz (b) dieses § 1 Absatz 3 auszutauschen. Wertpapiere, die im Austausch für die vorläufige Globalurkunde geliefert werden, sind nur außerhalb der Vereinigten Staaten zu liefern. Für die Zwecke dieses Absatzes bezeichnet "Vereinigte Staaten" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).]

(4) *Clearingsystem.* Jede Pfandbriefe verbrieft Globalurkunde wird von einem oder im Namen eines Clearingsystems verwahrt. "Clearingsystem" bedeutet Clearstream Banking AG, Neue Börsenstraße 1, 60487 Frankfurt am Main, Bundesrepublik Deutschland ("CBF").

(5) *Gläubiger von Pfandbriefe.* "Gläubiger" bedeutet jeder Inhaber eines Miteigentumsanteils oder anderen Rechts an den Pfandbriefen.

(6) *Geschäftstag.* "Geschäftstag" bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem das Clearingsystem **[falls die festgelegte Währung EUR ist oder TARGET aus einem anderen Grund benötigt wird, ist Folgendes anwendbar:** sowie das Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("TARGET")) betriebsbereit [ist][sind] **[falls die festgelegte Währung nicht EUR ist, oder falls aus anderen Gründen erforderlich, ist Folgendes anwendbar:** [und] Geschäftsbanken und Devisenmärkte in **[sämtliche relevanten Finanzzentren]** Zahlungen abwickeln].

authenticated by or on behalf of the Fiscal Agent. Definitive Pfandbriefe and interest coupons will not be issued.

(b) The Temporary Global Note shall be exchangeable for the Permanent Global Note from a date (the "Exchange Date") 40 days after the date of issue of the Temporary Global Note and not later than 180 days. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Pfandbriefe represented by the Temporary Global Note is/are not (a) U. S. person(s) (other than certain financial institutions or certain persons holding Pfandbriefe through such financial institutions) as required by U.S. tax law. Payment of interest on Pfandbriefe represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to this subparagraph (b) of this § 1(3). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States. For purposes of this subparagraph, "United States" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).]

(4) *Clearing System.* Each Global Note representing the Pfandbriefe will be kept in custody by or on behalf of the Clearing System. "Clearing System" means Clearstream Banking AG, Neue Börsenstraße 1, 60487 Frankfurt am Main, Federal Republic of Germany ("CBF").

(5) *Holder of Pfandbriefe.* "Holder" means any holder of a proportionate co-ownership or other beneficial interest or right in the Pfandbriefe.

(6) *Business Day.* "Business Day" means any day (other than a Saturday or a Sunday) on which the Clearing System **[if the Specified Currency is EUR or if TARGET is needed for other reasons the following applies:** as well as the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("TARGET")) [is][are] operational] **[if the Specified Currency is not EUR or if needed for other reasons the following applies:** [and] commercial banks and foreign exchange markets settle payments in **[all relevant financial centres]**].

## § 2 STATUS

Die Pfandbriefe begründen nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander gleichrangig sind. Die Pfandbriefe sind nach Maßgabe des Pfandbriefgesetzes gedeckt und stehen mindestens im gleichen Rang mit allen anderen Verbindlichkeiten der Emittentin aus Öffentlichen Pfandbriefen.

## § 3 ZINSEN

(1) *Zinssatz und Zinszahlungstage.* Die Pfandbriefe werden bezogen auf ihren ausstehenden Gesamtnennbetrag vom **[Verzinsungsbeginn]** (einschließlich) bis zum Fälligkeitstag (wie in § 5 [Absatz 1] definiert) (ausschließlich) mit jährlich **[Zinssatz]** % verzinst. Die Zinsen sind nachträglich am **[Festzinstermine]** eines jeden Jahres zahlbar (jeweils ein "Zinszahlungstag"). Die erste Zinszahlung erfolgt am **[ersten Zinszahlungstag]** **[sofern der erste Zinszahlungstag nicht der erste Jahrestag des Verzinsungsbeginns ist, ist Folgendes anwendbar:** und beläuft sich auf **[anfänglicher Bruchteilszinsbetrag für die festgelegte Stückelung]** je Pfandbrief. **[Sofern der Fälligkeitstag kein Festzinstermine ist, ist Folgendes anwendbar:** Die Zinsen für den Zeitraum vom **[der letzte dem Fälligkeitstag vorausgehende Festzinstermine]** (einschließlich) bis zum Fälligkeitstag (ausschließlich) belaufen sich auf **[abschließender Bruchteilszinsbetrag für die festgelegte Stückelung]** je Pfandbrief. Zinszahlungstage unterliegen einer Anpassung gemäß den im § 4 Absatz 4 enthaltenen Bestimmungen.

(2) *Auflaufende Zinsen.* Der Zinslauf der Pfandbriefe endet mit Beginn des Tages, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Pfandbriefe bei Fälligkeit nicht einlöst, ist der ausstehende Gesamtnennbetrag der Pfandbriefe vom Tag der Fälligkeit an (einschließlich) bis zum Tag der tatsächlichen Rückzahlung der Pfandbriefe (ausschließlich) in Höhe des gesetzlich festgelegten Zinssatzes für Verzugszinsen<sup>1</sup> zu verzinsen.

(3) *Berechnung der Zinsen für Teile von Zeiträumen.* Sofern Zinsen für einen Zeitraum von weniger oder mehr als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachstehend definiert).]

(4) *Zinstagequotient.* "Zinstagequotient" bezeichnet im Hinblick auf die Berechnung eines Zinsbetrages auf einen Pfandbrief für einen beliebigen Zeitraum (der "Zinsberechnungszeitraum"):

**[Im Fall von Actual/Actual (ICMA Regel 251) mit jährlichen Zinszahlungen (außer im Fall einer ersten**

## § 2 STATUS

The obligations under the Pfandbriefe constitute unsubordinated obligations of the Issuer ranking *pari passu* among themselves. The Pfandbriefe are covered in accordance with the Pfandbrief Act (*Pfandbriefgesetz*) and rank at least *pari passu* with all other obligations of the Issuer under Public Sector Pfandbriefe.

## § 3 INTEREST

(1) *Rate of Interest and Interest Payment Dates.* The Pfandbriefe shall bear interest on their outstanding aggregate principal amount at the rate of **[Rate of Interest]** per cent. *per annum* from (and including) **[Interest Commencement Date]** to (but excluding) the Maturity Date (as defined in § 5[(1)]). Interest shall be payable in arrear on **[Fixed Interest Dates]** in each year (each such date, an "Interest Payment Date"). The first payment of interest shall be made on **[First Interest Payment Date]** **[if First Interest Payment Date is not first anniversary of Interest Commencement Date the following applies:** and will amount to **[Initial Broken Amount for Specified Denomination]** for each Pfandbrief. **[If the Maturity Date is not a Fixed Interest Date the following applies:** Interest in respect of the period from (and including) **[Fixed Interest Date preceding the Maturity Date]** to (but excluding) the Maturity Date will amount to **[Final Broken Amount for Specified Denomination]** for each Pfandbrief.] Interest Payment Dates are subject to adjustment in accordance with the provisions set out in § 4(4).

(2) *Accrual of Interest.* The Pfandbriefe shall cease to bear interest as from the beginning of the day on which they are due for redemption. If the Issuer shall fail to redeem the Pfandbriefe when due, interest shall continue to accrue on the outstanding aggregate principal amount of the Pfandbriefe from (and including) the due date to (but excluding) the date of actual redemption of the Pfandbriefe at the default rate of interest established by law<sup>1</sup>.

(3) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less or more than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).]

(4) *Day Count Fraction.* "Day Count Fraction" means, in respect of the calculation of an amount of interest on any Pfandbrief for any period of time (the "Calculation Period"):

**[In the case of Actual/Actual (ICMA Rule 251) with annual interest payments (except in the case of a first**

<sup>1</sup> Der gesetzliche Verzugszinssatz beträgt gemäß §§ 288 Absatz 1, 247 BGB für das Jahr fünf Prozentpunkte über dem von der Deutschen Bundesbank halbjährlich veröffentlichten Basiszinssatz.

<sup>1</sup> According to paragraphs 288(1) and 247 of the German Civil Code (BGB), the default rate of interest established by law is five percentage points above the basic rate of interest published by *Deutsche Bundesbank* semi-annually.

**oder letzten kurzen oder langen Zinsperiode) ist Folgendes anwendbar:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, geteilt durch die tatsächliche Anzahl von Tagen in der jeweiligen Zinsperiode.]

**or last short or long interest period) the following applies:** the actual number of days in the Calculation Period divided by the actual number of days in the respective interest period.]

**[Im Fall von Actual/Actual (ICMA Regel 251) mit jährlichen Zinszahlungen (im Fall einer ersten oder letzten kurzen Zinsperiode) ist Folgendes anwendbar:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, geteilt durch die tatsächliche Anzahl von Tagen in der Bezugsperiode, in die der Zinsberechnungszeitraum fällt.]

**[In the case of Actual/Actual (ICMA Rule 251) with annual interest payments (in the case of a first or last short interest period) the following applies:** the actual number of days in the Calculation Period divided by the actual number of days in the Reference Period in which the Calculation Period falls.]

**[Im Falle von Actual/Actual (ICMA Regel 251) mit zwei oder mehr gleichbleibenden Zinsperioden (einschließlich dem Fall einer ersten oder letzten kurzen Zinsperiode) innerhalb eines Zinsjahres ist Folgendes anwendbar:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, geteilt durch das Produkt aus (1) der tatsächlichen Anzahl von Tagen in der Bezugsperiode, in die der Zinsberechnungszeitraum fällt, und (2) der tatsächlichen Anzahl von Bezugsperioden, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte Jahr zu zahlen wären.]

**[If Actual/Actual (ICMA Rule 251) with two or more constant interest periods within an interest year (including in the case of a first or last short interest period) the following applies:** the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in the Reference Period in which the Calculation Period falls and (2) the actual number of Reference Periods that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year.]

**[Falls Actual/Actual (ICMA Regel 251) anwendbar ist und wenn eine lange Zinsperiode vorliegt, ist Folgendes anwendbar:** die Summe aus:

**[If Actual/Actual (ICMA Rule 251) is applicable and in the case of a long interest period, the following applies:** the sum of:

(1) der tatsächlichen Anzahl von Tagen in dem Zinsberechnungszeitraum, die in die Bezugsperiode fallen, in welcher der Zinsberechnungszeitraum beginnt, geteilt durch **[im Falle von Bezugsperioden, die kürzer sind als ein Jahr, ist Folgendes anwendbar:** das Produkt aus (A)] [die] [der] Anzahl der Tage in dieser Bezugsperiode **[im Falle von Bezugsperioden, die kürzer sind als ein Jahr, ist Folgendes anwendbar:** und (B) der Anzahl von Bezugsperioden, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte Jahr zu zahlen wären]; und

(1) the actual number of days in such Calculation Period falling in the Reference Period in which the Calculation Period begins divided by **[in the case of Reference Periods of less than one year, the following applies:** the product of (A)] the number of days in such Reference Period **[in the case of Reference Periods of less than one year, the following applies:** and (B) the number of Reference Periods that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year]; and

(2) der tatsächlichen Anzahl von Tagen in dem Zinsberechnungszeitraum, die in die nächste Bezugsperiode fallen, geteilt durch **[im Falle von Bezugsperioden, die kürzer sind als ein Jahr, ist Folgendes anwendbar:** das Produkt aus (A)] [die] [der] Anzahl der Tage in dieser Bezugsperiode **[im Falle von Bezugsperioden, die kürzer sind als ein Jahr, ist Folgendes anwendbar:** und (B) der Anzahl von Bezugsperioden, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte Jahr zu zahlen wären].]

(2) the actual number of days in such Calculation Period falling in the next Reference Period divided by **[in the case of Reference Periods of less than one year, the following applies:** the product of (A)] the number of days in such Reference Period **[in the case of Reference Periods of less than one year, the following applies:** and (B) the number of Reference Periods that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year.]]

**[Folgendes gilt für alle Optionen von Actual/Actual (ICMA Regel 251) außer Option Actual/Actual (ICMA Regel 251) mit jährlichen Zinszahlungen (ausschließlich dem Fall einer ersten oder letzten kurzen oder langen Zinsperiode):** "Bezugsperiode" bezeichnet den Zeitraum ab dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) oder von jedem Zinszahlungstag (einschließlich) bis zum nächsten Zinszahlungstag

**[In the case of all options of Actual/Actual (ICMA Rule 251) except for option Actual/Actual (ICMA Rule 251) with annual interest payments (excluding the case of first or last short or long interest period) the following applies:** "Reference Period" means the period from (and including) the Interest Commencement Date to, but excluding, the first Interest Payment Date or from (and including) each Interest Payment Date to, but excluding, the next Interest Payment Date. **[In the case**

(ausschließlich). **[Im Falle einer ersten oder letzten kurzen Zinsperiode, ist Folgendes anwendbar:** Zum Zwecke der Bestimmung der [ersten] [letzten] Bezugsperiode gilt der [Fiktiver Verzinsungsbeginn oder fiktiver Zinszahlungstag] als [Verzinsungsbeginn] [Zinszahlungstag].] **[Im Falle einer ersten oder letzten langen Zinsperiode, ist Folgendes anwendbar:** Zum Zwecke der Bestimmung der [ersten] [letzten] Bezugsperiode gelten der [Fiktiver Verzinsungsbeginn und/oder fiktive(r) Zinszahlungstag(e)] als [Verzinsungsbeginn] [und] [Zinszahlungstag[e]].]

**of a short first or last interest period, the following applies:** For the purposes of determining the [first] [last] Reference Period only, [deemed Interest Commencement Date or deemed Interest Payment Date] shall be deemed to be [the Interest Commencement Date] [an Interest Payment Date].] **[In the case of a long first or last interest period, the following applies:** For the purposes of determining the [first] [last] Reference Period only, [deemed Interest Commencement Date and/or deemed Interest Payment Date(s)] shall each be deemed to be [the Interest Commencement Date][and] [Interest Payment Date[s]].]

**[Im Fall von Actual/365 (Fixed) ist Folgendes anwendbar:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365.]

**[if Actual/365 (Fixed) the following applies:** the actual number of days in the Calculation Period divided by 365.]

**[Im Fall von Actual/360 ist Folgendes anwendbar:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360.]

**[if Actual/360 the following applies:** the actual number of days in the Calculation Period divided by 360.]

**[Im Fall von 30/360 oder Bond Basis ist Folgendes anwendbar:** die Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist (es sei denn, (A) der letzte Tag des Zinsberechnungszeitraums fällt auf den 31. Tag eines Monats, während der erste Tag des Zinsberechnungszeitraumes weder auf den 30. noch auf den 31. Tag eines Monats fällt, wobei in diesem Fall der diesen Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Zinsberechnungszeitraumes fällt auf den letzten Tag des Monats Februar, wobei in diesem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist.)]

**[if 30/360 or Bond Basis the following applies:** the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month).]

**[Im Fall von 30E/360 oder Eurobond Basis ist Folgendes anwendbar:** die Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360 (wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist, und zwar ohne Berücksichtigung des ersten oder letzten Tages des Zinsberechnungszeitraumes), es sei denn, dass im Falle des letzten Berechnungszeitraumes der Fälligkeitstag der letzte Tag des Monats Februar ist, wobei in diesem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist.]

**[if 30E/360 or Eurobond Basis the following applies:** the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months, without regard to the date of the first day or last day of the Calculation Period) unless, in the case of the final Calculation Period, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month.]

**[Im Fall von 360/360 ist Folgendes anwendbar:** die Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360, berechnet auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen.]

**[if 360/360 the following applies:** the number of days in the Calculation Period divided by 360, calculated on the basis of a year of 360 days with twelve 30-day months.]

**§ 4  
ZAHLUNGEN**

(1) (a) *Zahlungen von Kapital.* Die Zahlung von Kapital und etwaiger zusätzlicher Beträge in Bezug auf die Pfandbriefe erfolgen nach Maßgabe des nachstehenden Absatzes 2 an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems gegen Vorlage und (außer im Fall von Teilzahlungen) Einreichung der die Pfandbriefe zum Zeitpunkt der Zahlung verbriefenden Globalurkunde bei der bezeichneten Geschäftsstelle der Emissionsstelle.

(b) *Zahlung von Zinsen.* Die Zahlung von Zinsen und etwaiger zusätzlicher Beträge auf Pfandbriefe erfolgt nach Maßgabe von Absatz 2 an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.

**[Im Fall von Zinszahlungen auf eine vorläufige Globalurkunde, ist Folgendes anwendbar:** Die Zahlung von Zinsen auf Pfandbriefe, die durch die vorläufige Globalurkunde verbrieft sind, erfolgt nach Maßgabe von Absatz 2 an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems, und zwar nach ordnungsgemäßer Bescheinigung gemäß § 1 Absatz 3 (b).]

(2) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Pfandbriefe in der festgelegten Währung.

**[Im Fall von Pfandbriefen, die nicht auf Euro lauten ist Folgendes anwendbar:**

Stellt die Emittentin fest, dass zu zahlende Beträge am betreffenden Zahltag aufgrund von Umständen, die außerhalb ihrer Verantwortung liegen, in frei übertragbaren und konvertierbaren Geldern für sie nicht verfügbar sind, oder dass die festgelegte Währung oder eine gesetzlich eingeführte Nachfolge-Währung (die "Nachfolge-Währung") nicht mehr für die Abwicklung von internationalen Finanztransaktionen verwendet wird, kann die Emittentin ihre Zahlungsverpflichtungen am jeweiligen Zahltag oder sobald wie es nach dem Zahltag vernünftigerweise möglich ist durch eine Zahlung in Euro auf der Grundlage des anwendbaren Wechselkurses erfüllen. Die Gläubiger sind nicht berechtigt, weitere Zinsen oder sonstige Zahlungen in Bezug auf eine solche Zahlung zu verlangen. Der "anwendbare Wechselkurs" ist (i) falls verfügbar, derjenige Wechselkurs des Euro zu der festgelegten Währung oder der Nachfolge-Währung, der von der Europäischen Zentralbank für einen Tag festgelegt und veröffentlicht wird, der innerhalb eines angemessenen Zeitraums (gemäß Bestimmung der Emittentin nach billigem Ermessen) vor und so nahe wie möglich an dem Tag liegt, an dem die Zahlung geleistet wird, oder (ii) falls kein solcher Wechselkurs verfügbar ist, der von der Emittentin nach billigem Ermessen festgelegte Wechselkurs des Euro zu der festgelegten Währung oder der Nachfolge-Währung.]

(3) *Erfüllung.* Die Emittentin wird durch Leistung der

**§ 4  
PAYMENTS**

(1) (a) *Payment of Principal.* Payment of principal and any additional amounts in respect of Pfandbriefe shall be made, subject to subparagraph (2) below, to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System upon presentation and (except in the case of partial payment) surrender of the Global Note representing the Pfandbriefe at the time of payment at the specified office of the Fiscal Agent.

(b) *Payment of Interest.* Payment of interest on Pfandbriefe and any additional amounts shall be made, subject to subparagraph (2), to the Clearing System or to its order for credit to the relevant account holders of the Clearing System.

**[In the case of interest payable on a Temporary Global Note, the following applies:** Payment of interest on Pfandbriefe represented by the Temporary Global Note shall be made, subject to subparagraph (2), to the Clearing System or to its order for credit to the relevant account holders of the Clearing System, upon due certification as provided in § 1(3)(b).]

(2) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Pfandbriefe shall be made in the Specified Currency.

**[In the case of Pfandbriefe not denominated in Euro the following applies:**

If the Issuer determines that the amount payable on the respective Payment Business Day is not available to it in such freely negotiable and convertible funds for reasons beyond its control or that the Specified Currency or any successor currency to it provided for by law (the "Successor Currency") is no longer used for the settlement of international financial transactions, the Issuer may fulfil its payment obligations by making such payment in Euro on, or as soon as reasonably practicable after, the respective Payment Business Day on the basis of the Applicable Exchange Rate. Holders shall not be entitled to further interest or any other payment as a result thereof. The "Applicable Exchange Rate" shall be, (i) if available, the Euro foreign exchange reference rate for the Specified Currency or the Successor Currency determined and published by the European Central Bank for the most recent practicable date falling within a reasonable period (as determined by the Issuer in its equitable discretion) prior to the day on which the payment is made or, (ii) if such rate is not available, the foreign exchange rate of the Specified Currency or the Successor Currency against the Euro as determined by the Issuer in its equitable discretion.]

(3) *Discharge.* The Issuer shall be discharged by

Zahlung an das Clearingsystem oder dessen Order von ihrer Zahlungspflicht befreit.

(4) *Zahltag*. Fällt der Fälligkeitstag einer Zahlung in Bezug auf einen Pfandbrief auf einen Tag, der kein Zahltag ist, dann

**[bei Anwendung der modifizierten folgender Geschäftstag-Konvention ist Folgendes anwendbar:** hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächstfolgenden Zahltag, es sei denn, der Fälligkeitstag der Zahlung würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Fälligkeitstag der Zahlung auf den unmittelbar vorhergehenden Zahltag vorgezogen.]

**[bei Anwendung der FRN-Konvention ist Folgendes anwendbar:** hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächstfolgenden Zahltag, es sei denn, der Fälligkeitstag der Zahlung würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall (i) wird der Fälligkeitstag der Zahlung auf den unmittelbar vorhergehenden Zahltag vorgezogen und (ii) ist jeder nachfolgende Fälligkeitstag der Zahlung der jeweils letzte Zahltag des Monats, der **[[Zahl]** [Wochen] [Monate]] nach dem vorhergehenden anwendbaren Zahltag liegt.]

**[bei Anwendung der folgender Geschäftstag-Konvention ist Folgendes anwendbar:** hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächstfolgenden Zahltag.]

**[bei Anwendung der vorhergegangener Geschäftstag-Konvention ist Folgendes anwendbar:** wird der Fälligkeitstag der Zahlung auf den unmittelbar vorhergehenden Zahltag vorgezogen.]

**[falls die Zinsen angepasst werden sollen ist Folgendes anwendbar:** Falls der Fälligkeitstag einer Zahlung, wie oben beschrieben, [vorgezogen wird] [oder] [verspätet ist], wird der Zinsbetrag entsprechend angepasst [und der Gläubiger ist berechtigt, etwaige weitere Zinsen aufgrund einer gegebenenfalls einschlägigen Verspätung zu verlangen].]

**[falls die Zinsen nicht angepasst werden sollen ist Folgendes anwendbar:** Der Gläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund einer gegebenenfalls einschlägigen Verspätung zu verlangen.]

Für diese Zwecke bezeichnet "Zahltag" einen [Geschäftstag (wie in § 1 Absatz 6 definiert)] [Tag (außer einem Samstag oder Sonntag), an dem das Clearingsystem **[falls die festgelegte Währung EUR ist oder falls TARGET aus anderen Gründen benötigt wird, ist Folgendes anwendbar:** und das Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("TARGET")] betriebsbereit [ist] [sind]] **[falls die festgelegte Währung nicht EUR ist, oder falls aus anderen Gründen erforderlich, ist Folgendes anwendbar:** [und] Geschäftsbanken und Devisenmärkte in [sämtliche relevanten Finanzzentren] Zahlungen abwickeln]].

payment to, or to the order of, the Clearing System.

(4) *Payment Business Day*. If the date for payment of any amount in respect of any Pfandbrief is not a Payment Business Day then

**[if Modified Following Business Day Convention the following applies:** the Holder shall not be entitled to payment until the next Payment Business Day unless the payment date would thereby fall into the next calendar month, in which event the payment date shall be the immediately preceding Payment Business Day.]

**[if FRN Convention the following applies:** the Holder shall not be entitled to payment until the next Payment Business Day unless the payment date would thereby fall into the next calendar month, in which event (i) the payment date shall be the immediately preceding Payment Business Day and (ii) each subsequent payment date shall be the last Payment Business Day in the month which falls **[[number]** [weeks] [months]] after the preceding applicable Payment Business Day.]

**[if Following Business Day Convention the following applies:** the Holder shall not be entitled to payment until the next day which is a Payment Business Day.]

**[if Preceding Business Day Convention the following applies:** the Holder shall be entitled to payment on the immediately preceding Payment Business Day.]

**[if adjustment of interest is applicable the following applies:** If the date for payment is [brought forward] [or] [postponed] as described above, the amount of interest shall be adjusted accordingly [and the Holder shall be entitled to further interest in respect of any delay, if applicable].]

**[if adjustment of interest does not apply the following applies:** The Holder shall not be entitled to further interest or other payment in respect of any delay, if applicable.]

For these purposes, "Payment Business Day" means [a Business Day (as defined in § 1(6))] [any day (other than a Saturday or a Sunday) on which the Clearing System **[if the Specified Currency is EUR or if TARGET is needed for other reasons the following applies:** and the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("TARGET")] [is][are] operational] **[if the Specified Currency is not EUR or if needed for other reasons the following applies:** [and] commercial banks and foreign exchange markets settle payments in [all relevant financial centres]]].



§ 5  
RÜCKZAHLUNG

[(1) Rückzahlung bei Endfälligkeit.]

Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet und vorbehaltlich einer Anpassung gemäß den in § 4 Absatz 4 enthaltenen Bestimmungen, werden die Pfandbriefe zu ihrem Rückzahlungsbetrag am **[Fälligkeitstag]** (der "Fälligkeitstag") zurückgezahlt. Der Rückzahlungsbetrag in Bezug auf jeden Pfandbrief entspricht dem Nennbetrag des Pfandbriefs.

**[Falls die Emittentin das Wahlrecht hat, die Pfandbriefe vorzeitig zurückzuzahlen ist Folgendes anwendbar:**

(2) *Vorzeitige Rückzahlung nach Wahl der Emittentin.*

(a) Die Emittentin kann, nachdem sie gemäß Absatz (b) gekündigt hat, die Pfandbriefe insgesamt oder teilweise am/an den Wahl-Rückzahlungstag(en) (Call) zum/zu den Wahl-Rückzahlungsbetrag/beträgen (Call) wie nachfolgend angegeben, nebst etwaigen bis zum Wahl-Rückzahlungstag (Call) (ausschließlich) aufgelaufenen Zinsen zurückzahlen.

Wahl-Rückzahlungstag(e) (Call)  
**[Wahl-Rückzahlungstag(e)]**

Wahl-Rückzahlungsbetrag/beträge (Call)  
**[Wahl-Rückzahlungsbetrag/beträge]**

(b) Die Kündigung ist den Gläubigern der Pfandbriefe durch die Emittentin gemäß § 10 bekannt zu geben. Sie beinhaltet die folgenden Angaben:

- (i) die zurückzuzahlende Serie von Pfandbriefen;
- (ii) eine Erklärung, ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzteren Fall den Gesamtnennbetrag der zurückzuzahlenden Pfandbriefe;
- (iii) den Wahl-Rückzahlungstag (Call), der nicht weniger als **[Mindestkündigungsfrist]** und nicht mehr als **[Höchstkündigungsfrist]** **[Tage]** **[[sämtliche relevanten Finanzzentren]** Geschäftstage **[(wie in § 1 Absatz 6 definiert)]** nach dem Tag der Kündigung durch die Emittentin gegenüber den Gläubigern liegen darf; und
- (iv) den Wahl-Rückzahlungsbetrag (Call), zu dem die Pfandbriefe zurückgezahlt werden.

**["[sämtliche relevanten Finanzzentren] Geschäftstag"** bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem **[falls TARGET noch nicht definiert wurde, ist Folgendes anwendbar:** das Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("TARGET") betriebsbereit ist] **[falls TARGET bereits definiert wurde, ist Folgendes anwendbar:** TARGET betriebsbereit ist] **[[und]** Geschäftsbanken und Devisenmärkte in **[sämtliche relevanten Finanzzentren]** Zahlungen abwickeln.]

§ 5  
REDEMPTION

[(1) Redemption at Maturity.]

Unless previously redeemed in whole or in part or purchased and cancelled and subject to adjustment in accordance with the provisions set out in § 4(4), the Pfandbriefe shall be redeemed at their Final Redemption Amount on **[Maturity Date]** (the "Maturity Date"). The Final Redemption Amount in respect of each Pfandbrief shall be its principal amount.

**[If Pfandbriefe are subject to Early Redemption at the Option of the Issuer the following applies:**

(2) *Early Redemption at the Option of the Issuer.*

(a) The Issuer may, upon notice given in accordance with subparagraph (b), redeem all or some only of the Pfandbriefe on the Call Redemption Date(s) at the Call Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the Call Redemption Date.

Call Redemption Date(s)  
**[Call Redemption Date(s)]**

Call Redemption Amount(s)  
**[Call Redemption Amount(s)]**

(b) Notice of redemption shall be given by the Issuer to the Holders of the Pfandbriefe in accordance with § 10. Such notice shall specify:

- (i) the Series of Pfandbriefe subject to redemption;
- (ii) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Pfandbriefe which are to be redeemed;
- (iii) the Call Redemption Date, which shall be not less than **[Minimum Notice to Holders]** nor more than **[Maximum Notice to Holders]** **[days]** **[[all relevant financial center]** Business Days **[(as defined in § 1(6))]** after the date on which notice is given by the Issuer to the Holders; and
- (iv) the Call Redemption Amount at which such Pfandbriefe are to be redeemed.

**["[all relevant financial centres] Business Days"** means any day (other than a Saturday or a Sunday) on which **[if TARGET has not yet been defined the following applies:** the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("TARGET") is operational] **[if TARGET has already been defined the following applies:** TARGET is operational] **[[and]** commercial banks and foreign exchange markets settle payments in **[all relevant financial centres].]**

(c) Wenn die Pfandbriefe nur teilweise zurückgezahlt werden, werden die zurückzuzahlenden Pfandbriefe in Übereinstimmung mit den Regeln des betreffenden Clearingsystems ausgewählt.

Die Gläubiger haben kein Recht, die Pfandbriefe vor dem Fälligkeitstag zurück zu zahlen.]

## § 6

### BEAUFTRAGTE STELLEN

(1) *Bestellung; bezeichnete Geschäftsstelle.* Die anfänglich bestellte Emissions- und Zahlstelle [und die anfänglich bestellte Zahlstelle] und deren bezeichnete Geschäftsstelle[n] lauten wie folgt:

Emissions- und Zahlstelle:

Dexia Kommunalbank Deutschland AG  
Charlottenstrasse 82  
10969 Berlin  
Deutschland

[Zahlstelle:

Banque Internationale à Luxembourg, société anonyme  
69, route d' Esch  
2953 Luxembourg  
Luxemburg]

Die Emissions- und Zahlstelle [und die Zahlstelle] [behält] [behalten] sich das Recht vor, jederzeit ihre bezeichnete[n] Geschäftsstelle[n] durch eine andere bezeichnete Geschäftsstelle zu ersetzen.

(2) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Emissions- und Zahlstelle [und der Zahlstelle] und etwaiger anderer Zahlstellen zu ändern oder zu beenden und eine andere Emissions- und Zahlstelle oder zusätzliche oder andere Zahlstellen im Einklang mit allen anwendbaren Vorschriften zu bestellen. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 10 vorab unter Einhaltung einer Frist von 10 Tagen informiert wurden.

(3) *Beauftragte der Emittentin.* Die Emissions- und Zahlstelle [und die Zahlstelle] und etwaige andere Zahlstellen handeln ausschließlich als Beauftragte der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

(4) *Verbindlichkeit der Festsetzungen.* Alle Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Emissions- und Zahlstelle für die Zwecke dieser Anleihebedingungen gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, etwaige Zahlstellen und die Gläubiger bindend.

(c) In the case of a partial redemption of Pfandbriefe, Pfandbriefe to be redeemed shall be selected in accordance with the rules of the relevant Clearing System.

The Holders have no right to redeem the Pfandbriefe prior to the Maturity Date.]

## § 6

### AGENTS

(1) *Appointment; Specified Offices.* The initial Fiscal Agent and Paying Agent [and the initial Paying Agent] and its initial specified office[s] are:

Fiscal Agent and Paying Agent:

Dexia Kommunalbank Deutschland AG  
Charlottenstrasse 82  
10969 Berlin  
Germany

[Paying Agent:

Banque Internationale à Luxembourg, société anonyme  
69, route d' Esch  
2953 Luxembourg  
Luxembourg]

The Fiscal Agent and Paying Agent [and the Paying Agent] reserve[s] the right at any time to change [its] [their] specified office[s] to some other specified offices.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent and Paying Agent [and the Paying Agent] and any other paying agent and to appoint another Fiscal Agent and Paying Agent or additional or other paying agents in accordance with all applicable regulations. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after 10 days' prior notice thereof shall have been given to the Holders in accordance with § 10.

(3) *Agents of the Issuer.* The Fiscal Agent and Paying Agent [and the Paying Agent] and any other paying agents act solely as agents of the Issuer and do not have any obligations towards or relationship of agency or trust to any Holder.

(4) *Determinations Binding.* All determinations, calculations, quotations and decisions given, expressed, made or obtained under these Terms and Conditions by the Fiscal Agent and Paying Agent shall (in the absence of manifest error) be binding on the Issuer, any paying agents and the Holders.

**§ 7  
STEUERN**

Sämtliche auf die Pfandbriefe zu zahlenden Beträge sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in der Bundesrepublik Deutschland auferlegt oder erhoben werden, es sei denn, dieser Einbehalt oder Abzug ist gesetzlich vorgeschrieben.

**§ 8  
VORLEGUNGSFRIST**

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Pfandbriefe auf zehn Jahre verkürzt.

**§ 9  
BEGEBUNG WEITERER PFANDBRIEFE,  
ANKAUF UND ENTWERTUNG**

(1) *Begebung weiterer Pfandbriefe.* Die Emittentin ist berechtigt, jederzeit ohne Zustimmung der Gläubiger weitere Pfandbriefe mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Tages der Ausgabe, des Verzinsungsbeginns und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Pfandbriefen eine einheitliche Serie bilden.

(2) *Ankauf und Entwertung.* Die Emittentin ist berechtigt, jederzeit Pfandbriefe im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Pfandbriefe können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Emissionsstelle zwecks Entwertung eingereicht werden.

**§ 10  
MITTEILUNGEN**

**[Falls die Pfandbriefe an dem regulierten Markt einer Wertpapierbörse notiert werden, ist Folgendes anwendbar:**

(1) *Bekanntmachung.* Solange dies gesetzlich erforderlich ist, werden alle die Pfandbriefe betreffenden Mitteilungen in dem Bundesanzeiger bzw. einem entsprechenden Nachfolgemedium [und zusätzlich in elektronischer Form auf der Internetseite der Luxemburger Wertpapierbörse ([www.bourse.lu](http://www.bourse.lu))] veröffentlicht. Jede derartige Mitteilung gilt am dritten Tag nach der Veröffentlichung (oder bei mehreren Veröffentlichungen an dem dritten Tag nach der ersten solchen Veröffentlichung) als wirksam erfolgt.

(2) *Mitteilungen an das Clearingsystem.* Soweit die Veröffentlichung von Mitteilungen nach Absatz 1 rechtlich nicht mehr erforderlich ist, ist die Emittentin berechtigt, eine Veröffentlichung in den in Absatz 1 genannten Medien durch eine Mitteilung an das Clearingsystem zur Weiterleitung durch das Clearingsystem an die Gläubiger zu ersetzen. Jede derartige Mitteilung gilt am dritten Tag nach dem Tag der

**§ 7  
TAXATION**

All amounts payable in respect of the Pfandbriefe shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by way of withholding or deduction by or on behalf of the Federal Republic of Germany or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law.

**§ 8  
PRESENTATION PERIOD**

The presentation period provided in § 801 subparagraph 1, sentence 1 BGB (German Civil Code) is reduced to ten years for the Pfandbriefe.

**§ 9  
FURTHER ISSUES, PURCHASES AND  
CANCELLATION**

(1) *Further Issues.* The Issuer may from time to time, without the consent of the Holders, issue further Pfandbriefe having the same terms and conditions as the Pfandbriefe in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Pfandbriefe.

(2) *Purchases and Cancellation.* The Issuer may at any time purchase Pfandbriefe in any market or otherwise and at any price. Pfandbriefe purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Fiscal Agent for cancellation.

**§ 10  
NOTICES**

**[If the Pfandbriefe are listed on the regulated market of a stock exchange the following applies:**

(1) *Publication.* As long as legally required, all notices concerning the Pfandbriefe shall be published in the Federal Gazette (*Bundesanzeiger*) or any comparable successor media [and, additionally, in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))]. Any notice so given will be deemed to have been validly given on the third day following the date of such publication (or, if published more than once, on the third day following the date of the first such publication).

(2) *Notification to Clearing System.* If the publication of notices pursuant to paragraph (1) is no longer required by law, the Issuer may, in lieu of publication in the media set forth in paragraph (1) above, deliver the relevant notice to the Clearing System, for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been given to the Holders on the third day after the day on which said

Mitteilung an das Clearingsystem als den Gläubigern mitgeteilt.]

**[Falls die Pfandbriefe nicht an dem regulierten Markt einer Wertpapierbörse notiert werden, ist Folgendes anwendbar:**

(1) *Mitteilungen an das Clearingsystem.* Die Emittentin wird alle die Pfandbriefe betreffenden Mitteilungen an das Clearingsystem zur Weiterleitung durch das Clearingsystem an die Gläubiger übermitteln. Jede derartige Mitteilung gilt am dritten Tag nach dem Tag der Mitteilung an das Clearingsystem als den Gläubigern mitgeteilt.]

(•) *Form der Mitteilung der Gläubiger.* Mitteilungen, die von einem Gläubiger gemacht werden, müssen schriftlich erfolgen und zusammen mit dem Nachweis seiner Inhaberschaft gemäß § 11 Absatz 3 an die Emissionsstelle geleitet werden. Eine solche Mitteilung kann über das Clearingsystem in der von der Emissionsstelle und dem Clearingsystem dafür vorgesehenen Weise erfolgen.

#### § 11

#### **ANWENDBARES RECHT, GERICHTSSTAND UND GERICHTLICHE GELTENDMACHUNG**

(1) *Anwendbares Recht.* Form und Inhalt der Pfandbriefe sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht.

(2) *Gerichtsstand.* Nicht ausschließlich zuständig für sämtliche im Zusammenhang mit den Pfandbriefen entstehenden Klagen oder sonstige Verfahren ist das Landgericht Berlin.

(3) *Gerichtliche Geltendmachung.* Jeder Gläubiger von Pfandbriefen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Pfandbriefen im eigenen Namen auf der folgenden Grundlage zu schützen oder geltend zu machen: (i) indem er eine Bescheinigung der Depotbank beibringt, bei der er für die Pfandbriefe ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Pfandbriefe bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearingsystem eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) indem er eine Kopie der die betreffenden Pfandbriefe verbriefenden Globalurkunde vorlegt, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearingsystems oder des Verwahrers des Clearingsystems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Pfandbriefe verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet "Depotbank" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die

notice was given to the Clearing System.]

**[If the Pfandbriefe are not listed on the regulated market of a stock exchange the following applies:**

(1) *Notification to Clearing System.* The Issuer shall deliver all notices concerning the Pfandbriefe to the Clearing System for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been given to the Holders on the third day after the day on which said notice was given to the Clearing System.]

(•) *Form of Notice of Holders.* Notices to be given by any Holder shall be made by means of a written declaration to be delivered together with an evidence of the Holder's entitlement in accordance with § 11 (3) to the Fiscal Agent. Such notice may be given through the Clearing System in such manner as the Fiscal Agent and the Clearing System may approve for such purpose.

#### § 11

#### **APPLICABLE LAW, PLACE OF JURISDICTION AND ENFORCEMENT**

(1) *Applicable Law.* The Pfandbriefe, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed in any respect by German law.

(2) *Place of Jurisdiction.* The District Court (*Landgericht*) in Berlin shall have non-exclusive jurisdiction for any action or other legal proceedings arising out of or in connection with the Pfandbriefe.

(3) *Enforcement.* Any Holder of Pfandbriefe may in any proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in its own name its rights arising under such Pfandbriefe on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Pfandbriefe (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Pfandbriefe credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Global Note certified as being a true copy by a duly authorised officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the Global Note representing the Pfandbriefe. For purposes of the foregoing, "Custodian" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Pfandbriefe and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce its rights under the Pfandbriefe also in any other way which is admitted in the country of the proceedings.

Pfandbriefe unterhält, einschließlich des Clearingsystems. Unbeschadet des Vorstehenden kann jeder Gläubiger seine Rechte aus den Pfandbriefen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist.

**§ 12  
SPRACHE**

**[Falls die Anleihebedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, ist Folgendes anwendbar:**

Diese Anleihebedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.]

**[Falls die Anleihebedingungen ausschließlich in deutscher Sprache abgefasst sind, ist Folgendes anwendbar:**

Diese Anleihebedingungen sind ausschließlich in deutscher Sprache abgefasst.]

**[Falls die Anleihebedingungen in englischer Sprache mit einer Übersetzung in die deutsche Sprache abgefasst sind, ist Folgendes anwendbar:**

Diese Anleihebedingungen sind in englischer Sprache abgefasst. Eine Übersetzung in die deutsche Sprache ist beigefügt. Der englische Text ist bindend und maßgeblich. Die Übersetzung in die deutsche Sprache ist unverbindlich.]

**§ 12  
LANGUAGE**

**[If the Terms and Conditions are to be in the German language with an English language translation the following applies:**

These Terms and Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is non-binding.]

**[If the Terms and Conditions are to be in the English language only the following applies:**

These Terms and Conditions are written in the English language only.]

**[If the Terms and Conditions are to be in the English language with a German language translation the following applies:**

These Terms and Conditions are written in the English language and provided with a German language translation. The English text shall be controlling and binding. The German language translation is non-binding.]

**OPTION II – Anleihebedingungen für Pfandbriefe mit variabler Verzinsung**

**§ 1**

**WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN**

(1) *Währung; Stückelung.* Diese Serie der Öffentlichen Pfandbriefe (die "Pfandbriefe") der Dexia Kommunalbank Deutschland AG (die "Emittentin") wird in **[festgelegte Währung]** (die "festgelegte Währung") im Gesamtnennbetrag von **[Gesamtnennbetrag]** (in Worten: **[Gesamtnennbetrag in Worten]**) in der Stückelung von **[festgelegte Stückelung]** (die "festgelegte Stückelung") begeben.

(2) *Form.* Die Pfandbriefe lauten auf den Inhaber.

**[Im Fall von Pfandbriefen, die durch eine Dauerglobalurkunde verbrieft sind, ist Folgendes anwendbar:**

(3) *Dauerglobalurkunde.* Die Pfandbriefe sind durch eine Dauerglobalurkunde (die "Dauerglobalurkunde" oder die "Globalurkunde") ohne Zinsscheine verbrieft. Die Dauerglobalurkunde trägt die Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und des von der Bundesanstalt für Finanzdienstleistungsaufsicht bestellten Treuhänders und ist von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelkunden und Zinsscheine werden nicht ausgegeben.]

**[Im Fall von Pfandbriefen, die anfänglich durch eine vorläufige Globalurkunde verbrieft sind (für Pfandbriefe, die in Übereinstimmung mit den D Rules begeben werden), ist Folgendes anwendbar:**

(3) *Vorläufige Globalurkunde – Austausch.*

(a) Die Pfandbriefe sind anfänglich durch eine vorläufige Globalurkunde (die "vorläufige Globalurkunde") ohne Zinsscheine verbrieft. Die vorläufige Globalurkunde wird gegen Pfandbriefe in der festgelegten Stückelung, die durch eine Dauerglobalurkunde (die "Dauerglobalurkunde" und (zusammen mit der vorläufigen Globalurkunde) die "Globalurkunden" und (jeweils) eine "Globalurkunde) ohne Zinsscheine verbrieft sind, ausgetauscht. Die vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und des von der Bundesanstalt für Finanzdienstleistungsaufsicht bestellten Treuhänders und sind jeweils von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelkunden und Zinsscheine werden nicht ausgegeben.

(b) Die vorläufige Globalurkunde wird frühestens an einem Tag (der "Austauschtag") gegen die Dauerglobalurkunde austauschbar, der 40 Tage, aber

**OPTION II – Terms and Conditions that apply to Pfandbriefe with floating interest rates**

**§ 1**

**CURRENCY, DENOMINATION, FORM, DEFINITIONS**

(1) *Currency; Denomination.* This Series of Public Sector Pfandbriefe (*Öffentliche Pfandbriefe*) (the "Pfandbriefe") of Dexia Kommunalbank Deutschland AG (the "Issuer") is being issued in **[Specified Currency]** (the "Specified Currency") in the aggregate principal amount of **[aggregate principal amount]** (in words: **[aggregate principal amount in words]**) in the denomination of **[specified Denomination]** (the "specified Denomination").]

(2) *Form.* The Pfandbriefe are being issued in bearer form.

**[In the case of Pfandbriefe which are represented by a Permanent Global Note the following applies:**

(3) *Permanent Global Note.* The Pfandbriefe are represented by a permanent global note (the "Permanent Global Note" or the "Global Note") without interest coupons. The Permanent Global Note shall be signed by authorised signatories of the Issuer and the independent trustee appointed by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) and shall be authenticated by or on behalf of the Fiscal Agent. Definitive Pfandbriefe and interest coupons will not be issued.]

**[In the case of Pfandbriefe which are initially represented by a Temporary Global Note (for Pfandbriefe issued in compliance with the D Rules) the following applies:**

(3) *Temporary Global Note – Exchange.*

(a) The Pfandbriefe are initially represented by a temporary global note (the "Temporary Global Note") without interest coupons. The Temporary Global Note will be exchangeable for Pfandbriefe in the specified Denomination represented by a permanent global note (the "Permanent Global Note" and, together with the Temporary Global Note, the "Global Notes" and, each, a "Global Note") without interest coupons. The Temporary Global Note and the Permanent Global Note shall each be signed by authorised signatories of the Issuer and the independent trustee appointed by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) and shall each be authenticated by or on behalf of the Fiscal Agent. Definitive Pfandbriefe and interest coupons will not be issued.

(b) The Temporary Global Note shall be exchangeable for the Permanent Global Note from a date (the "Exchange Date") 40 days after the date of issue of the

nicht mehr als 180 Tage, nach dem Tag der Ausgabe der vorläufigen Globalurkunde liegt. Ein solcher Austausch soll nur nach Vorlage von Bescheinigungen gemäß U.S. Steuerrecht erfolgen, wonach der oder die wirtschaftlichen Eigentümer der durch die vorläufige Globalurkunde verbrieften Pfandbriefe keine U.S.-Person(en) ist/sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Pfandbriefe über solche Finanzinstitute halten). Zinszahlungen auf durch eine vorläufige Globalurkunde verbrieft Pfandbriefe erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist hinsichtlich einer jeden solchen Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der vorläufigen Globalurkunde eingeht, wird als ein Ersuchen behandelt werden, diese vorläufige Globalurkunde gemäß diesem Absatz (b) dieses § 1 Absatz 3 auszutauschen. Wertpapiere, die im Austausch für die vorläufige Globalurkunde geliefert werden, sind nur außerhalb der Vereinigten Staaten zu liefern. Für die Zwecke dieses Absatzes bezeichnet "Vereinigte Staaten" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).]

(4) *Clearingsystem*. Jede Pfandbriefe verbiefende Globalurkunde wird von einem oder im Namen eines Clearingsystems verwahrt. "Clearingsystem" bedeutet Clearstream Banking AG, Neue Börsenstraße 1, 60487 Frankfurt am Main, Bundesrepublik Deutschland ("CBF").

(5) *Gläubiger von Pfandbriefe*. "Gläubiger" bedeutet jeder Inhaber eines Miteigentumsanteils oder anderen Rechts an den Pfandbriefen.

(6) *Geschäftstag*. "Geschäftstag" bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem das Clearingsystem **[falls die festgelegte Währung EUR ist oder TARGET aus einem anderen Grund benötigt wird, ist Folgendes anwendbar:** sowie das Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("TARGET")] betriebsbereit [ist][sind] **[falls die festgelegte Währung nicht EUR ist, oder falls aus anderen Gründen erforderlich, ist Folgendes anwendbar:** [und] Geschäftsbanken und Devisenmärkte in **[sämtliche relevanten Finanzzentren]** Zahlungen abwickeln].

## § 2 STATUS

Die Pfandbriefe begründen nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander gleichrangig sind. Die Pfandbriefe sind nach Maßgabe des Pfandbriefgesetzes gedeckt und stehen mindestens im gleichen Rang mit allen anderen Verbindlichkeiten der Emittentin aus Öffentlichen Pfandbriefen.

Temporary Global Note and not later than 180 days. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Pfandbriefe represented by the Temporary Global Note is/are not (a) U. S. person(s) (other than certain financial institutions or certain persons holding Pfandbriefe through such financial institutions) as required by U.S. tax law. Payment of interest on Pfandbriefe represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to this subparagraph (b) of this § 1(3). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States. For purposes of this subparagraph, "United States" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).]

(4) *Clearing System*. Each Global Note representing the Pfandbriefe will be kept in custody by or on behalf of the Clearing System. "Clearing System" means Clearstream Banking AG, Neue Börsenstraße 1, 60487 Frankfurt am Main, Federal Republic of Germany ("CBF").

(5) *Holder of Pfandbriefe*. "Holder" means any holder of a proportionate co-ownership or other beneficial interest or right in the Pfandbriefe.

(6) *Business Day*. "Business Day" means any day (other than a Saturday or a Sunday) on which the Clearing System **[if the Specified Currency is EUR or if TARGET is needed for other reasons the following applies:** as well as the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("TARGET")] [is][are] operational] **[if the Specified Currency is not EUR or if needed for other reasons the following applies:** [and] commercial banks and foreign exchange markets settle payments in **[all relevant financial centres]**].

## § 2 STATUS

The obligations under the Pfandbriefe constitute unsecured obligations of the Issuer ranking *pari passu* among themselves. The Pfandbriefe are covered in accordance with the Pfandbrief Act (*Pfandbriefgesetz*) and rank at least *pari passu* with all other obligations of the Issuer under Public Sector Pfandbriefe.

**§ 3  
ZINSEN**

(1) *Zinszahlungstage.*

(a) Die Pfandbriefe werden bezogen auf ihren ausstehenden Gesamtnennbetrag ab dem **[Verzinsungsbeginn]** (der "Verzinsungsbeginn") (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und danach von jedem Zinszahlungstag (einschließlich) bis zum nächstfolgenden Zinszahlungstag (ausschließlich) verzinst. Zinsen auf die Pfandbriefe sind an jedem Zinszahlungstag zahlbar.

(b) "Zinszahlungstag" bedeutet

**[im Fall von festgelegten Zinszahlungstagen ist Folgendes anwendbar:** jeder **[festgelegte Zinszahlungstag].]**

**[im Fall von festgelegten Zinsperioden ist Folgendes anwendbar:** (soweit diese Anleihebedingungen keine abweichenden Bestimmungen vorsehen) jeweils der Tag, der **[Zahl]** [Wochen] [Monate] nach dem vorausgehenden Zinszahlungstag oder im Fall des ersten Zinszahlungstages, nach dem Verzinsungsbeginn liegt.]

Zinszahlungstage unterliegen einer Anpassung gemäß den im § 4 Absatz 4 enthaltenen Bestimmungen.

(2) *Zinssatz.* Der Zinssatz (der "Zinssatz") für jede Zinsperiode (wie nachstehend definiert) ist, sofern nachstehend nichts Abweichendes bestimmt wird, der Angebotssatz (ausgedrückt als Prozentsatz *per annum*) für Einlagen in der festgelegten Währung für die jeweilige Zinsperiode (der **[Zahl]** Monats-EURIBOR), der auf der Bildschirmseite (wie nachstehend definiert) am Zinsfestlegungstag (wie nachstehend definiert) gegen 11.00 Uhr (Brüsseler Ortszeit) angezeigt wird **[im Fall einer Marge ist Folgendes anwendbar:** [zuzüglich] [abzüglich] der Marge (wie nachstehend definiert)], wobei alle Festlegungen durch die Berechnungsstelle (wie in § 6 definiert) erfolgen.

"Zinsperiode" bezeichnet den jeweils **[Zahl]** [Wochen-] [Monats-] Zeitraum von dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) bzw. von jedem Zinszahlungstag (einschließlich) bis zum jeweils darauffolgenden Zinszahlungstag (ausschließlich).

"Zinsfestlegungstag" bezeichnet den zweiten Geschäftstag [(wie in § 1 Absatz 6 definiert)] vor Beginn der jeweiligen Zinsperiode. [Für die Zwecke dieses Absatzes bezeichnet "Geschäftstag" einen Tag (außer einen Samstag oder Sonntag), an dem **[Im Falle eines TARGET-Geschäftstages ist Folgendes anwendbar:** das Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("TARGET") betriebsbereit ist.] **[Im Falle eines nicht-TARGET-Geschäftstages ist Folgendes anwendbar:** Geschäftsbanken in [London] **[zutreffenden anderen Ort]** für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind.]

**§ 3  
INTEREST**

(1) *Interest Payment Dates.*

(a) The Pfandbriefe shall bear interest on their outstanding aggregate principal amount from (and including) **[Interest Commencement Date]** (the "Interest Commencement Date") to (but excluding) the first Interest Payment Date and thereafter from (and including) each Interest Payment Date to (but excluding) the next following Interest Payment Date. Interest on the Pfandbriefe shall be payable on each Interest Payment Date.

(b) "Interest Payment Date" means

**[in the case of Specified Interest Payment Dates the following applies:** each **[Specified Interest Payment Dates].]**

**[in the case of Specified Interest Periods the following applies:** each date which (except as otherwise provided for in these Terms and Conditions) falls **[number]** [weeks] [months] after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.]

Interest Payment Dates are subject to adjustment in accordance with the provisions set out in § 4(4).

(2) *Rate of Interest.* The rate of interest (the "Rate of Interest") for each Interest Period (as defined below) will, except as provided below, be the offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for that Interest Period (the **[number]** months EURIBOR) which appears on the Screen Page (as defined below) as of 11.00 a.m. (Brussels time) on the Interest Determination Date (as defined below) **[if Margin the following applies:** [plus] [minus] the Margin (as defined below)], all as determined by the Calculation Agent (as defined in § 6).

"Interest Period" means each **[number]** [weeks] [months] period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date and from (and including) each Interest Payment Date to (but excluding) the following Interest Payment Date.

"Interest Determination Date" means the second Business Day [(as defined in § 1(6))] prior to the commencement of the relevant Interest Period. [For the purposes of this paragraph "Business Day" means a day (other than a Saturday or Sunday) on which **[in the case of a TARGET Business Day the following applies:** the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("TARGET") is operational.] **[in the case of a non-TARGET Business Day the following applies:** commercial banks are open for business (including dealings in foreign exchange and foreign currency) in [London] **[other relevant location]].]**



**[Im Fall einer Marge ist Folgendes anwendbar:** Die "Marge" beträgt [•] % *per annum*.]

"Bildschirmseite" bedeutet Reuters Bildschirmseite EURIBOR01 oder jede Nachfolgesseite.

Sollte die Bildschirmseite nicht zur Verfügung stehen oder wird zu der genannten Zeit kein Angebotssatz angezeigt, wird die Berechnungsstelle von den Referenzbanken (wie nachstehend definiert) deren jeweilige Angebotssätze (jeweils als Prozentsatz *per annum* ausgedrückt) für Einlagen in der festgelegten Währung für die betreffende Zinsperiode gegenüber führenden Banken im Interbanken-Markt der Euro-Zone (wie nachstehend definiert) um ca. 11.00 Uhr (Brüsseler Ortszeit) am Zinsfestlegungstag anfordern. Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, ist der Zinssatz für die betreffende Zinsperiode das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Tausendstel Prozent, wobei 0,0005 aufgerundet wird) dieser Angebotssätze **[im Fall einer Marge ist Folgendes anwendbar:** [zuzüglich] [abzüglich] der Marge], wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

Falls an einem Zinsfestlegungstag nur eine oder keine der Referenzbanken der Berechnungsstelle solche im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Zinssatz für die betreffende Zinsperiode der Satz *per annum*, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Tausendstel Prozent, wobei 0,0005 aufgerundet wird) der Angebotssätze ermittelt, die die Referenzbanken bzw. zwei oder mehrere von ihnen der Berechnungsstelle auf deren Anfrage als den jeweiligen Satz nennen, zu dem ihnen um ca. 11.00 Uhr (Brüsseler Ortszeit) an dem betreffenden Zinsfestlegungstag Einlagen in der festgelegten Währung für die betreffende Zinsperiode von führenden Banken im Interbanken-Markt der Euro-Zone angeboten werden **[im Fall einer Marge ist Folgendes anwendbar:** [zuzüglich] [abzüglich] der Marge]; falls weniger als zwei der Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, soll der Zinssatz für die betreffende Zinsperiode der Angebotssatz für Einlagen in der festgelegten Währung für die betreffende Zinsperiode oder das arithmetische Mittel (gerundet wie oben beschrieben) der Angebotssätze für Einlagen in der festgelegten Währung für die betreffende Zinsperiode sein, den bzw. die eine oder mehrere Banken (die nach Ansicht der Berechnungsstelle und der Emittentin für diesen Zweck geeignet sind) der Berechnungsstelle als Sätze bekannt geben, die sie an dem betreffenden Zinsfestlegungstag gegenüber führenden Banken im Interbanken-Markt der Euro-Zone nennen (bzw. den diese Banken gegenüber der Berechnungsstelle nennen) **[im Fall einer Marge ist Folgendes anwendbar:** [zuzüglich] [abzüglich] der Marge]. Für den Fall, dass der Zinssatz nicht gemäß den vorstehenden Bestimmungen dieses Absatzes ermittelt werden kann, ist der Zinssatz der Angebotssatz oder das arithmetische Mittel der Angebotssätze auf der Bildschirmseite, wie vorstehend beschrieben, an dem letzten Tag vor dem

**[If Margin the following applies:** "Margin" means [•] per cent. *per annum*.]

"Screen Page" means Reuters screen page EURIBOR01 or any successor page.

If the Screen Page is not available or if no such offered quotation appears at such time, the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for the relevant Interest Period to leading banks in the interbank market in the Euro-Zone (as defined below) at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of such offered quotations **[if Margin the following applies:** [plus] [minus] the Margin], all as determined by the Calculation Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate *per annum* which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of the offered quotation, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, as at 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for the relevant Interest Period by leading banks in the interbank market in the Euro-Zone **[if Margin the following applies:** [plus] [minus] the Margin] or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for the relevant Interest Period, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for the relevant Interest Period, at which, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent and the Issuer suitable for such purpose) inform(s) the Calculation Agent it is or they are quoting to leading banks in the interbank market in the Euro-Zone (or, as the case may be, the quotations of such bank or banks to the Calculation Agent) **[if Margin the following applies:** [plus] [minus] the Margin]. If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such quotations were offered **[if Margin the**

Zinsfestlegungstag, an dem diese Angebotssätze angezeigt wurden **[im Fall einer Marge ist Folgendes anwendbar: [zuzüglich] [abzüglich] der Marge** (wobei jedoch, falls für die betreffende Zinsperiode eine andere Marge als für die unmittelbar vorhergehende Zinsperiode gilt, die Marge der betreffenden Zinsperiode an die Stelle der Marge für die vorhergehende Zinsperiode tritt)].

"Referenzbanken" bezeichnen diejenigen Niederlassungen von mindestens vier derjenigen Banken, deren Angebotssätze zur Ermittlung des maßgeblichen Angebotssatzes zu dem Zeitpunkt benutzt wurden, als solch ein Angebot letztmals auf der maßgeblichen Bildschirmseite angezeigt wurde.

"Euro-Zone" bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die den Euro als einheitliche Währung eingeführt haben oder jeweils eingeführt haben werden.

**[Falls ein Mindest- und/oder Höchstzinssatz gilt ist Folgendes anwendbar:**

(3) *[Mindest-] [und] [Höchst-] Zinssatz.*

**[Falls ein Mindestzinssatz gilt ist Folgendes anwendbar:** Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode ermittelte Zinssatz niedriger ist als **[Mindestzinssatz]**, so ist der Zinssatz für diese Zinsperiode **[Mindestzinssatz].]**

**[Falls ein Höchstzinssatz gilt ist Folgendes anwendbar:** Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode ermittelte Zinssatz höher ist als **[Höchstzinssatz]**, so ist der Zinssatz für diese Zinsperiode **[Höchstzinssatz].]**

[(4)] *Zinsbetrag.* Die Berechnungsstelle wird zu oder baldmöglichst nach jedem Zeitpunkt, an dem der Zinssatz zu bestimmen ist, den Zinssatz bestimmen und den auf die Pfandbriefe zahlbaren Zinsbetrag (der "Zinsbetrag") für die entsprechende Zinsperiode berechnen. Der maßgebliche Zinsbetrag wird ermittelt, indem der Zinssatz und der Zinstagequotient (wie nachstehend definiert) auf den Gesamtnennbetrag der Pfandbriefe angewendet werden, wobei der resultierende Betrag auf die kleinste Einheit der festgelegten Währung auf- oder abgerundet wird, wobei 0,5 solcher Einheiten aufgerundet werden.

[(5)] *Mitteilung von Zinssatz und Zinsbetrag.* Die Berechnungsstelle wird veranlassen, dass der Zinssatz, der Zinsbetrag für die jeweilige Zinsperiode, die jeweilige Zinsperiode und der betreffende Zinszahlungstag der Emittentin, der Zahlstelle und den Gläubigern gemäß § 10, baldmöglichst und jeder Börse, an der die betreffenden Pfandbriefe zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, baldmöglichst, aber keinesfalls später als zu Beginn der jeweiligen Zinsperiode mitgeteilt werden. Im Fall einer Verlängerung oder Verkürzung der Zinsperiode können der mitgeteilte Zinsbetrag und Zinszahlungstag ohne Vorankündigung nachträglich angepaßt (oder andere

**following applies:** [plus] [minus] the Margin (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period)].

"Reference Banks" means those offices of not less than four such banks whose offered rates were used to determine such quotation when such quotation last appeared on the Screen Page.

"Euro-Zone" means the region comprised of those member states of the European Union that have adopted, or will have adopted from time to time, the Euro as single currency.

**[If Minimum and/or Maximum Rate of Interest applies the following applies:**

(3) *[Minimum] [and] [Maximum] Rate of Interest.*

**[If Minimum Rate of Interest is applicable the following applies:** If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is less than **[Minimum Rate of Interest]**, the Rate of Interest for such Interest Period shall be **[Minimum Rate of Interest].]**

**[If Maximum Rate of Interest is applicable the following applies:** If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is greater than **[Maximum Rate of Interest]**, the Rate of Interest for such Interest Period shall be **[Maximum Rate of Interest].]**

[(4)] *Interest Amount.* The Calculation Agent will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest and calculate the amount of interest (the "Interest Amount") payable on the Pfandbriefe for the relevant Interest Period. The relevant Interest Amount shall be calculated by applying the Rate of Interest and the Day Count Fraction (as defined below) to the aggregate principal amount of the Pfandbriefe and rounding the resultant figure to the nearest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.

[(5)] *Notification of Rate of Interest and Interest Amount.* The Calculation Agent will cause the Rate of Interest, the Interest Amount for each Interest Period, each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Paying Agent and to the Holders in accordance with § 10 as soon as possible after their determination and, if required by the rules of any stock exchange on which the Pfandbriefe are from time to time listed, to such stock exchange, as soon as possible after their determination, but in no event later than the first day of the relevant Interest Period. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or

geeignete Anpassungsregelungen getroffen) werden. Jede solche Anpassung wird umgehend allen Börsen, an denen die Pfandbriefe zu diesem Zeitpunkt notiert sind, der Zahlstelle sowie den Gläubigern gemäß § 10 mitgeteilt.

appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to any stock exchange on which the Pfandbriefe are then listed, the Paying Agent and to the Holders in accordance with § 10.

[(6)] *Auflaufende Zinsen.* Der Zinslauf der Pfandbriefe endet mit Beginn des Tages, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Pfandbriefe bei Fälligkeit nicht einlöst, ist der ausstehende Gesamtnennbetrag der Pfandbriefe vom Tag der Fälligkeit an (einschließlich) bis zum Tag der tatsächlichen Rückzahlung der Pfandbriefe (ausschließlich) in Höhe des gesetzlich festgelegten Zinssatzes für Verzugszinsen<sup>1</sup> zu verzinsen.

[(6)] *Accrual of Interest.* The Pfandbriefe shall cease to bear interest as from the beginning of the day on which they are due for redemption. If the Issuer shall fail to redeem the Pfandbriefe when due, interest shall continue to accrue on the outstanding aggregate principal amount of the Pfandbriefe from (and including) the due date to (but excluding) the date of actual redemption of the Pfandbriefe at the default rate of interest established by law<sup>1</sup>.

[(7)] *Zinstagequotient.* "Zinstagequotient" bezeichnet im Hinblick auf die Berechnung eines Zinsbetrages auf einen Pfandbrief für einen beliebigen Zeitraum (der "Zinsberechnungszeitraum"):

[(7)] *Day Count Fraction.* "Day Count Fraction" means, in respect of the calculation of an amount of interest on any Pfandbrief for any period of time (the "Calculation Period"):

**[Im Fall von Actual/Actual (ICMA Regel 251) mit jährlichen Zinszahlungen (außer im Fall einer ersten oder letzten kurzen oder langen Zinsperiode) ist Folgendes anwendbar:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, geteilt durch die tatsächliche Anzahl von Tagen in der jeweiligen Zinsperiode.]

**[In the case of Actual/Actual (ICMA Rule 251) with annual interest payments (except in the case of a first or last short or long interest period) the following applies:** the actual number of days in the Calculation Period divided by the actual number of days in the respective interest period.]

**[Im Fall von Actual/Actual (ICMA Regel 251) mit jährlichen Zinszahlungen (im Fall einer ersten oder letzten kurzen Zinsperiode) ist Folgendes anwendbar:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, geteilt durch die tatsächliche Anzahl von Tagen in der Bezugsperiode, in die der Zinsberechnungszeitraum fällt.]

**[In the case of Actual/Actual (ICMA Rule 251) with annual interest payments (in the case of a first or last short interest period) the following applies:** the actual number of days in the Calculation Period divided by the actual number of days in the Reference Period in which the Calculation Period falls.]

**[Im Falle von Actual/Actual (ICMA Regel 251) mit zwei oder mehr gleichbleibenden Zinsperioden (einschließlich dem Fall einer ersten oder letzten kurzen Zinsperiode) innerhalb eines Zinsjahres ist Folgendes anwendbar:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, geteilt durch das Produkt aus (1) der tatsächlichen Anzahl von Tagen in der Bezugsperiode, in die der Zinsberechnungszeitraum fällt, und (2) der tatsächlichen Anzahl von Bezugsperioden, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte Jahr zu zahlen wären.]

**[If Actual/Actual (ICMA Rule 251) with two or more constant interest periods within an interest year (including in the case of a first or last short interest period) the following applies:** the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in the Reference Period in which the Calculation Period falls and (2) the actual number of Reference Periods that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year.]

**[Falls Actual/Actual (ICMA Regel 251) anwendbar ist und wenn eine lange Zinsperiode vorliegt, ist Folgendes anwendbar:** die Summe aus:

**[If Actual/Actual (ICMA Rule 251) is applicable and in the case of a long interest period, the following applies:** the sum of:

(1) der tatsächlichen Anzahl von Tagen in dem Zinsberechnungszeitraum, die in die Bezugsperiode fallen, in welcher der Zinsberechnungszeitraum beginnt, geteilt durch **[im Falle von Bezugsperioden, die kürzer**

(1) the actual number of days in such Calculation Period falling in the Reference Period in which the Calculation Period begins divided by **[in the case of Reference Periods of less than one year, the following applies:**

<sup>1</sup> Der gesetzliche Verzugszinssatz beträgt gemäß §§ 288 Absatz 1, 247 BGB für das Jahr fünf Prozentpunkte über dem von der Deutschen Bundesbank halbjährlich veröffentlichten Basiszinssatz.

<sup>1</sup> According to paragraphs 288(1) and 247 of the German Civil Code (BGB), the default rate of interest established by law is five percentage points above the basic rate of interest published by *Deutsche Bundesbank* semi-annually.

**sind als ein Jahr, ist Folgendes anwendbar:** das Produkt aus (A)] [die] [der] Anzahl der Tage in dieser Bezugsperiode **[im Falle von Bezugsperioden, die kürzer sind als ein Jahr, ist Folgendes anwendbar:** und (B) der Anzahl von Bezugsperioden, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte Jahr zu zahlen wären]; und

(2) der tatsächlichen Anzahl von Tagen in dem Zinsberechnungszeitraum, die in die nächste Bezugsperiode fallen, geteilt durch **[im Falle von Bezugsperioden, die kürzer sind als ein Jahr, ist Folgendes anwendbar:** das Produkt aus (A)] [die] [der] Anzahl der Tage in dieser Bezugsperiode **[im Falle von Bezugsperioden, die kürzer sind als ein Jahr, ist Folgendes anwendbar:** und (B) der Anzahl von Bezugsperioden, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte Jahr zu zahlen wären].]

**[Folgendes gilt für alle Optionen von Actual/Actual (ICMA Regel 251) außer Option Actual/Actual (ICMA Regel 251) mit jährlichen Zinszahlungen (ausschließlich dem Fall einer ersten oder letzten kurzen oder langen Zinsperiode):** "Bezugsperiode" bezeichnet den Zeitraum ab dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) oder von jedem Zinszahlungstag (einschließlich) bis zum nächsten Zinszahlungstag (ausschließlich). **[Im Falle einer ersten oder letzten kurzen Zinsperiode, ist Folgendes anwendbar:** Zum Zwecke der Bestimmung der [ersten] [letzten] Bezugsperiode gilt der **[Fiktiver Verzinsungsbeginn oder fiktiver Zinszahlungstag]** als [Verzinsungsbeginn] [Zinszahlungstag].] **[Im Falle einer ersten oder letzten langen Zinsperiode, ist Folgendes anwendbar:** Zum Zwecke der Bestimmung der [ersten] [letzten] Bezugsperiode gelten der **[Fiktiver Verzinsungsbeginn und/oder fiktive(r) Zinszahlungstag(e)]** als [Verzinsungsbeginn] [und] [Zinszahlungstag[e]].]

**[Im Fall von Actual/365 (Fixed) ist Folgendes anwendbar:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365.]

**[Im Fall von Actual/360 ist Folgendes anwendbar:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360.]

**[Im Fall von 30/360 oder Bond Basis ist Folgendes anwendbar:** die Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist (es sei denn, (A) der letzte Tag des Zinsberechnungszeitraums fällt auf den 31. Tag eines Monats, während der erste Tag des Zinsberechnungszeitraumes weder auf den 30. noch auf den 31. Tag eines Monats fällt, wobei in diesem Fall der diesen Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag

the product of (A)] the number of days in such Reference Period **[in the case of Reference Periods of less than one year, the following applies:** and (B) the number of Reference Periods that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year]; and

(2) the actual number of days in such Calculation Period falling in the next Reference Period divided by **[in the case of Reference Periods of less than one year, the following applies:** the product of (A)] the number of days in such Reference Period **[in the case of Reference Periods of less than one year, the following applies:** and (B) the number of Reference Periods that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year.]]

**[In the case of all options of Actual/Actual (ICMA Rule 251) except for option Actual/Actual (ICMA Rule 251) with annual interest payments (excluding the case of first or last short or long interest period) the following applies:** "Reference Period" means the period from (and including) the Interest Commencement Date to, but excluding, the first Interest Payment Date or from (and including) each Interest Payment Date to, but excluding, the next Interest Payment Date. **[In the case of a short first or last interest period, the following applies:** For the purposes of determining the [first] [last] Reference Period only, **[deemed Interest Commencement Date or deemed Interest Payment Date]** shall be deemed to be [the Interest Commencement Date] [an Interest Payment Date].] **[In the case of a long first or last interest period, the following applies:** For the purposes of determining the [first] [last] Reference Period only, **[deemed Interest Commencement Date and/or deemed Interest Payment Date(s)]** shall each be deemed to be [the Interest Commencement Date][and] [Interest Payment Date[s]].]

**[if Actual/365 (Fixed) the following applies:** the actual number of days in the Calculation Period divided by 365.]

**[if Actual/360 the following applies:** the actual number of days in the Calculation Period divided by 360.]

**[if 30/360 or Bond Basis the following applies:** the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a

des Zinsberechnungszeitraumes fällt auf den letzten Tag des Monats Februar, wobei in diesem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist).]

**[Im Fall von 30E/360 oder Eurobond Basis ist Folgendes anwendbar:** die Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360 (wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist, und zwar ohne Berücksichtigung des ersten oder letzten Tages des Zinsberechnungszeitraumes), es sei denn, dass im Falle des letzten Berechnungszeitraums der Fälligkeitstag der letzte Tag des Monats Februar ist, wobei in diesem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist.]

**[Im Fall von 360/360 ist Folgendes anwendbar:** die Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360, berechnet auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen.]

30-day month).]

**[if 30E/360 or Eurobond Basis the following applies:** the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months, without regard to the date of the first day or last day of the Calculation Period) unless, in the case of the final Calculation Period, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month.]

**[if 360/360 the following applies:** the number of days in the Calculation Period divided by 360, calculated on the basis of a year of 360 days with twelve 30-day months.]

#### § 4 ZAHLUNGEN

(1) (a) *Zahlungen von Kapital.* Die Zahlung von Kapital und etwaiger zusätzlicher Beträge in Bezug auf die Pfandbriefe erfolgen nach Maßgabe des nachstehenden Absatzes 2 an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems gegen Vorlage und (außer im Fall von Teilzahlungen) Einreichung der die Pfandbriefe zum Zeitpunkt der Zahlung verbrieften Globalurkunde bei der bezeichneten Geschäftsstelle der Emissionsstelle.

(b) *Zahlung von Zinsen.* Die Zahlung von Zinsen und etwaiger zusätzlicher Beträge auf Pfandbriefe erfolgt nach Maßgabe von Absatz 2 an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.

**[Im Fall von Zinszahlungen auf eine vorläufige Globalurkunde, ist Folgendes anwendbar:** Die Zahlung von Zinsen auf Pfandbriefe, die durch die vorläufige Globalurkunde verbrieft sind, erfolgt nach Maßgabe von Absatz 2 an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems, und zwar nach ordnungsgemäßer Bescheinigung gemäß § 1 Absatz 3 (b).]

(2) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Pfandbriefe in der festgelegten Währung.

**[Im Fall von Pfandbriefen, die nicht auf Euro lauten ist Folgendes anwendbar:**

Stellt die Emittentin fest, dass zu zahlende Beträge am betreffenden Zahltag aufgrund von Umständen, die außerhalb ihrer Verantwortung liegen, in frei übertragbaren und konvertierbaren Geldern für sie nicht verfügbar sind, oder dass die festgelegte Währung oder eine gesetzlich eingeführte Nachfolge-Währung (die "Nachfolge-Währung") nicht mehr für die Abwicklung von internationalen Finanztransaktionen verwendet wird,

#### § 4 PAYMENTS

(1) (a) *Payment of Principal.* Payment of principal and any additional amounts in respect of Pfandbriefe shall be made, subject to subparagraph (2) below, to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System upon presentation and (except in the case of partial payment) surrender of the Global Note representing the Pfandbriefe at the time of payment at the specified office of the Fiscal Agent.

(b) *Payment of Interest.* Payment of interest on Pfandbriefe and any additional amounts shall be made, subject to subparagraph (2), to the Clearing System or to its order for credit to the relevant account holders of the Clearing System.

**[In the case of interest payable on a Temporary Global Note, the following applies:** Payment of interest on Pfandbriefe represented by the Temporary Global Note shall be made, subject to subparagraph (2), to the Clearing System or to its order for credit to the relevant account holders of the Clearing System, upon due certification as provided in § 1(3)(b).]

(2) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Pfandbriefe shall be made in the Specified Currency.

**[In the case of Pfandbriefe not denominated in Euro the following applies:**

If the Issuer determines that the amount payable on the respective Payment Business Day is not available to it in such freely negotiable and convertible funds for reasons beyond its control or that the Specified Currency or any successor currency to it provided for by law (the "Successor Currency") is no longer used for the settlement of international financial transactions, the Issuer may fulfil its payment obligations by making

kann die Emittentin ihre Zahlungsverpflichtungen am jeweiligen Zahltag oder sobald wie es nach dem Zahltag vernünftigerweise möglich ist durch eine Zahlung in Euro auf der Grundlage des anwendbaren Wechselkurses erfüllen. Die Gläubiger sind nicht berechtigt, weitere Zinsen oder sonstige Zahlungen in Bezug auf eine solche Zahlung zu verlangen. Der "anwendbare Wechselkurs" ist (i) falls verfügbar, derjenige Wechselkurs des Euro zu der festgelegten Währung oder der Nachfolge-Währung, der von der Europäischen Zentralbank für einen Tag festgelegt und veröffentlicht wird, der innerhalb eines angemessenen Zeitraums (gemäß Bestimmung der Emittentin nach billigem Ermessen) vor und so nahe wie möglich an dem Tag liegt, an dem die Zahlung geleistet wird, oder (ii) falls kein solcher Wechselkurs verfügbar ist, der von der Emittentin nach billigem Ermessen festgelegte Wechselkurs des Euro zu der festgelegten Währung oder der Nachfolge-Währung.]

(3) *Erfüllung.* Die Emittentin wird durch Leistung der Zahlung an das Clearingsystem oder dessen Order von ihrer Zahlungspflicht befreit.

(4) *Zahltage.* Fällt der Fälligkeitstag einer Zahlung in Bezug auf einen Pfandbrief auf einen Tag, der kein Zahltag ist, dann

**[bei Anwendung der modifizierten folgender Geschäftstag-Konvention ist Folgendes anwendbar:** hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächstfolgenden Zahltag, es sei denn, der Fälligkeitstag der Zahlung würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Fälligkeitstag der Zahlung auf den unmittelbar vorhergehenden Zahltag vorgezogen.]

**[bei Anwendung der FRN-Konvention ist Folgendes anwendbar:** hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächstfolgenden Zahltag, es sei denn, der Fälligkeitstag der Zahlung würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall (i) wird der Fälligkeitstag der Zahlung auf den unmittelbar vorhergehenden Zahltag vorgezogen und (ii) ist jeder nachfolgende Fälligkeitstag der Zahlung der jeweils letzte Zahltag des Monats, der [[Zahl] [Wochen] [Monate]] nach dem vorhergehenden anwendbaren Zahltag liegt.]

**[bei Anwendung der folgender Geschäftstag-Konvention ist Folgendes anwendbar:** hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächstfolgenden Zahltag.]

**[bei Anwendung der vorhergegangener Geschäftstag-Konvention ist Folgendes anwendbar:** wird der Fälligkeitstag der Zahlung auf den unmittelbar vorhergehenden Zahltag vorgezogen.]

**[falls die Zinsen angepasst werden sollen ist Folgendes anwendbar:** Falls der Fälligkeitstag einer Zahlung, wie oben beschrieben, [vorgezogen wird] [oder] [verspätet ist], wird der Zinsbetrag entsprechend angepasst [und der Gläubiger ist berechtigt, etwaige weitere Zinsen aufgrund einer gegebenenfalls einschlägigen Verspätung zu verlangen].]

**[falls die Zinsen nicht angepasst werden sollen ist**

such payment in Euro on, or as soon as reasonably practicable after, the respective Payment Business Day on the basis of the Applicable Exchange Rate. Holders shall not be entitled to further interest or any other payment as a result thereof. The "Applicable Exchange Rate" shall be, (i) if available, the Euro foreign exchange reference rate for the Specified Currency or the Successor Currency determined and published by the European Central Bank for the most recent practicable date falling within a reasonable period (as determined by the Issuer in its equitable discretion) prior to the day on which the payment is made or, (ii) if such rate is not available, the foreign exchange rate of the Specified Currency or the Successor Currency against the Euro as determined by the Issuer in its equitable discretion.]

(3) *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Clearing System.

(4) *Payment Business Day.* If the date for payment of any amount in respect of any Pfandbrief is not a Payment Business Day then

**[if Modified Following Business Day Convention the following applies:** the Holder shall not be entitled to payment until the next Payment Business Day unless the payment date would thereby fall into the next calendar month, in which event the payment date shall be the immediately preceding Payment Business Day.]

**[if FRN Convention the following applies:** the Holder shall not be entitled to payment until the next Payment Business Day unless the payment date would thereby fall into the next calendar month, in which event (i) the payment date shall be the immediately preceding Payment Business Day and (ii) each subsequent payment date shall be the last Payment Business Day in the month which falls [[number] [weeks] [months]] after the preceding applicable Payment Business Day.]

**[if Following Business Day Convention the following applies:** the Holder shall not be entitled to payment until the next day which is a Payment Business Day.]

**[if Preceding Business Day Convention the following applies:** the Holder shall be entitled to payment on the immediately preceding Payment Business Day.]

**[if adjustment of interest is applicable the following applies:** If the date for payment is [brought forward] [or] [postponed] as described above, the amount of interest shall be adjusted accordingly [and the Holder shall be entitled to further interest in respect of any delay, if applicable].]

**[if adjustment of interest does not apply the following**

**Folgendes anwendbar:** Der Gläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund einer gegebenenfalls einschlägigen Verspätung zu verlangen.]

Für diese Zwecke bezeichnet "Zahltag" einen [Geschäftstag (wie in § 1 Absatz 6 definiert)] [Tag (außer einem Samstag oder Sonntag), an dem das Clearingsystem **[falls die festgelegte Währung EUR ist oder falls TARGET aus anderen Gründen benötigt wird, ist Folgendes anwendbar:** und das Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("TARGET")] betriebsbereit [ist][sind]] **[falls die festgelegte Währung nicht EUR ist, oder falls aus anderen Gründen erforderlich, ist Folgendes anwendbar:** [und] Geschäftsbanken und Devisenmärkte in **[sämtliche relevanten Finanzzentren]** Zahlungen abwickeln]].

## § 5 RÜCKZAHLUNG

[(1) *Rückzahlung bei Endfälligkeit.*]

Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet und vorbehaltlich einer Anpassung gemäß den in § 4 Absatz 4 enthaltenen Bestimmungen, werden die Pfandbriefe zu ihrem Rückzahlungsbetrag am **[im Fall eines festgelegten Fälligkeitstages, Fälligkeitstag] [im Fall eines Rückzahlungsmonats:** in den **[Rückzahlungsmonat]** fallenden Zinszahlungstag] (der "Fälligkeitstag") zurückgezahlt. Der Rückzahlungsbetrag in Bezug auf jeden Pfandbrief entspricht dem Nennbetrag des Pfandbriefs.

**[Falls die Emittentin das Wahlrecht hat, die Pfandbriefe vorzeitig zurückzahlen ist Folgendes anwendbar:**

(2) *Vorzeitige Rückzahlung nach Wahl der Emittentin.*

(a) Die Emittentin kann, nachdem sie gemäß Absatz (b) gekündigt hat, die Pfandbriefe insgesamt oder teilweise am/an den Wahl-Rückzahlungstag(en) (Call) zum/zu den Wahl-Rückzahlungsbetrag/beträgen (Call) wie nachfolgend angegeben, nebst etwaigen bis zum Wahl-Rückzahlungstag (Call) (ausschließlich) aufgelaufenen Zinsen zurückzahlen.

Wahl-Rückzahlungstag(e) (Call)  
**[Wahl-Rückzahlungstag(e)]**

Wahl-Rückzahlungsbetrag/beträge (Call)  
**[Wahl-Rückzahlungsbetrag/beträge]**

(b) Die Kündigung ist den Gläubigern der Pfandbriefe durch die Emittentin gemäß § 10 bekannt zu geben. Sie beinhaltet die folgenden Angaben:

- (i) die zurückzahlende Serie von Pfandbriefen;
- (ii) eine Erklärung, ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzteren Fall den Gesamtnennbetrag der zurückzahlenden Pfandbriefe;
- (iii) den Wahl-Rückzahlungstag (Call), der nicht

**applies:** The Holder shall not be entitled to further interest or other payment in respect of any delay, if applicable.]

For these purposes, "Payment Business Day" means [a Business Day (as defined in § 1(6))] [any day (other than a Saturday or a Sunday) on which the Clearing System **[if the Specified Currency is EUR or if TARGET is needed for other reasons the following applies:** and the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("TARGET")] [is][are] operational] **[if the Specified Currency is not EUR or if needed for other reasons the following applies:** [and] commercial banks and foreign exchange markets settle payments in **[all relevant financial centres]]].**

## § 5 REDEMPTION

[(1) *Redemption at Maturity.*]

Unless previously redeemed in whole or in part or purchased and cancelled and subject to adjustment in accordance with the provisions set out in § 4(4), the Pfandbriefe shall be redeemed at their Final Redemption Amount on **[in the case of a specified Maturity Date such Maturity Date] [in the case of a Redemption Month:** the Interest Payment Date falling in **[Redemption Month]]** (the "Maturity Date"). The Final Redemption Amount in respect of each Pfandbrief shall be its principal amount.

**[If Pfandbriefe are subject to Early Redemption at the Option of the Issuer the following applies:**

(2) *Early Redemption at the Option of the Issuer.*

(a) The Issuer may, upon notice given in accordance with subparagraph (b), redeem all or some only of the Pfandbriefe on the Call Redemption Date(s) at the Call Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the Call Redemption Date.

Call Redemption Date(s)  
**[Call Redemption Date(s)]**

Call Redemption Amount(s)  
**[Call Redemption Amount(s)]**

(b) Notice of redemption shall be given by the Issuer to the Holders of the Pfandbriefe in accordance with § 10. Such notice shall specify:

- (i) the Series of Pfandbriefe subject to redemption;
- (ii) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Pfandbriefe which are to be redeemed;
- (iii) the Call Redemption Date, which shall be not

weniger als [Mindestkündigungsfrist] und nicht mehr als [Höchstkündigungsfrist] [Tage] [[sämtliche relevanten Finanzzentren] Geschäftstage [(wie in § 1 Absatz 6 definiert)]] nach dem Tag der Kündigung durch die Emittentin gegenüber den Gläubigern liegen darf; und

- (iv) den Wahl-Rückzahlungsbetrag (Call), zu dem die Pfandbriefe zurückgezahlt werden.

["[sämtliche relevanten Finanzzentren] Geschäftstag" bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem [falls TARGET noch nicht definiert wurde, ist Folgendes anwendbar: das Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("TARGET") betriebsbereit ist] [falls TARGET bereits definiert wurde, ist Folgendes anwendbar: TARGET betriebsbereit ist] [[und] Geschäftsbanken und Devisenmärkte in [sämtliche relevanten Finanzzentren] Zahlungen abwickeln].]

(c) Wenn die Pfandbriefe nur teilweise zurückgezahlt werden, werden die zurückzuzahlenden Pfandbriefe in Übereinstimmung mit den Regeln des betreffenden Clearingsystems ausgewählt.

Die Gläubiger haben kein Recht, die Pfandbriefe vor dem Fälligkeitstag zurück zu zahlen.]

## § 6 BEAUFTRAGTE STELLEN

(1) *Bestellung; bezeichnete Geschäftsstelle.* Die anfänglich bestellte Emissions- und Zahlstelle [und die anfänglich bestellte Zahlstelle] und die anfänglich bestellte Berechnungsstelle und deren jeweilige bezeichnete Geschäftsstelle[n] lauten wie folgt:

Emissionsstelle und Zahlstelle:

Dexia Kommunalbank Deutschland AG  
Charlottenstrasse 82  
10969 Berlin  
Deutschland

[Zahlstelle:

Banque Internationale à Luxembourg, société anonyme  
69, route d' Esch  
2953 Luxembourg  
Luxemburg]

Berechnungsstelle: •

Die Emissions- und Zahlstelle [und die Zahlstelle] und die Berechnungsstelle behalten sich das Recht vor, jederzeit ihre jeweilige bezeichneten Geschäftsstellen durch eine andere bezeichnete Geschäftsstelle zu ersetzen.

(2) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Emissions- und Zahlstelle [und der Zahlstelle] und der Berechnungsstelle und etwaiger anderer Zahlstellen zu ändern oder zu beenden und eine andere Emissions- und Zahlstelle und eine andere Berechnungsstelle oder zusätzliche oder andere

less than [Minimum Notice to Holders] nor more than [Maximum Notice to Holders] [days] [[all relevant financial center] Business Days [(as defined in § 1(6))]] after the date on which notice is given by the Issuer to the Holders; and

- (iv) the Call Redemption Amount at which such Pfandbriefe are to be redeemed.

["[all relevant financial centres] Business Days" means any day (other than a Saturday or a Sunday) on which [if TARGET has not yet been defined the following applies: the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("TARGET") is operational] [if TARGET has already been defined the following applies: TARGET is operational] [[and] commercial banks and foreign exchange markets settle payments in [all relevant financial centres].]

(c) In the case of a partial redemption of Pfandbriefe, Pfandbriefe to be redeemed shall be selected in accordance with the rules of the relevant Clearing System.

The Holders have no right to redeem the Pfandbriefe prior to the Maturity Date.]

## § 6 AGENTS

(1) *Appointment; Specified Offices.* The initial Fiscal Agent and Paying Agent [and the initial Paying Agent] and the initial Calculation Agent and their respective initial specified office[s] are:

Fiscal Agent and Paying Agent:

Dexia Kommunalbank Deutschland AG  
Charlottenstrasse 82  
10969 Berlin  
Germany

[Paying Agent:

Banque Internationale à Luxembourg, société anonyme  
69, route d' Esch  
2953 Luxembourg  
Luxembourg]

Calculation Agent: •

The Fiscal Agent and Paying Agent [and the Paying Agent] and the Calculation Agent reserve the right at any time to change their respective specified offices to some other specified offices.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent and Paying Agent [and the Paying Agent] and the Calculation Agent and any other paying agent and to appoint another Fiscal Agent and Paying Agent and another Calculation Agent or additional or other paying agents in accordance with all



Zahlstellen im Einklang mit allen anwendbaren Vorschriften zu bestellen. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 10 vorab unter Einhaltung einer Frist von 10 Tagen informiert wurden.

(3) *Beauftragte der Emittentin.* Die Emissions- und Zahlstelle [und die Zahlstelle] und die Berechnungsstelle und etwaige andere Zahlstellen handeln ausschließlich als Beauftragte der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

(4) *Verbindlichkeit der Festsetzungen.* Alle Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Emissions- und Zahlstelle und der Berechnungsstelle für die Zwecke dieser Anleihebedingungen gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, die Emissions- und Zahlstelle (im Fall von Festsetzungen, Berechnungen, Quotierungen oder Entscheidungen durch die Berechnungsstelle), die Berechnungsstelle (im Fall von Festsetzungen, Berechnungen, Quotierungen oder Entscheidungen durch die Emissions- und Zahlstelle), etwaige Zahlstellen und die Gläubiger bindend.

## § 7 STEUERN

Sämtliche auf die Pfandbriefe zu zahlenden Beträge sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in der Bundesrepublik Deutschland auferlegt oder erhoben werden, es sei denn, dieser Einbehalt oder Abzug ist gesetzlich vorgeschrieben.

## § 8 VORLEGUNGSFRIST

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Pfandbriefe auf zehn Jahre verkürzt.

## § 9 BEGEBUNG WEITERER PFANDBRIEFE, ANKAUF UND ENTWERTUNG

(1) *Begebung weiterer Pfandbriefe.* Die Emittentin ist berechtigt, jederzeit ohne Zustimmung der Gläubiger weitere Pfandbriefe mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Tages der Ausgabe, des Verzinsungsbeginns und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Pfandbriefen eine einheitliche Serie bilden.

(2) *Ankauf und Entwertung.* Die Emittentin ist berechtigt, jederzeit Pfandbriefe im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin

applicabile regulations. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after 10 days' prior notice thereof shall have been given to the Holders in accordance with § 10.

(3) *Agents of the Issuer.* The Fiscal Agent and Paying Agent [and the Paying Agent] and the Calculation Agent and any other paying agents act solely as agents of the Issuer and do not have any obligations towards or relationship of agency or trust to any Holder.

(4) *Determinations Binding.* All determinations, calculations, quotations and decisions given, expressed, made or obtained under these Terms and Conditions by the Fiscal Agent and Paying Agent and the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Fiscal Agent and Paying Agent (in case of determinations, calculations, quotations and decisions by the Calculation Agent), the Calculation Agent (in case of determinations, calculations, quotations and decisions by the Fiscal Agent and Paying Agent), and paying agents and the Holders.

## § 7 TAXATION

All amounts payable in respect of the Pfandbriefe shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by way of withholding or deduction by or on behalf of the Federal Republic of Germany or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law.

## § 8 PRESENTATION PERIOD

The presentation period provided in § 801 subparagraph 1, sentence 1 BGB (German Civil Code) is reduced to ten years for the Pfandbriefe.

## § 9 FURTHER ISSUES, PURCHASES AND CANCELLATION

(1) *Further Issues.* The Issuer may from time to time, without the consent of the Holders, issue further Pfandbriefe having the same terms and conditions as the Pfandbriefe in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Pfandbriefe.

(2) *Purchases and Cancellation.* The Issuer may at any time purchase Pfandbriefe in any market or otherwise and at any price. Pfandbriefe purchased by the Issuer

erworbenen Pfandbriefe können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Emissionsstelle zwecks Entwertung eingereicht werden.

may, at the option of the Issuer, be held, resold or surrendered to the Fiscal Agent for cancellation.

## § 10 MITTEILUNGEN

## § 10 NOTICES

**[Falls die Pfandbriefe an dem regulierten Markt einer Wertpapierbörse notiert werden, ist Folgendes anwendbar:**

**[If the Pfandbriefe are listed on the regulated market of a stock exchange the following applies:**

(1) *Bekanntmachung.* Solange dies gesetzlich erforderlich ist, werden alle die Pfandbriefe betreffenden Mitteilungen in dem Bundesanzeiger bzw. einem entsprechenden Nachfolgemedium [und zusätzlich in elektronischer Form auf der Internetseite der Luxemburger Wertpapierbörse (www.bourse.lu)] veröffentlicht. Jede derartige Mitteilung gilt am dritten Tag nach der Veröffentlichung (oder bei mehreren Veröffentlichungen an dem dritten Tag nach der ersten solchen Veröffentlichung) als wirksam erfolgt.

(1) *Publication.* As long as legally required, all notices concerning the Pfandbriefe shall be published in the Federal Gazette (*Bundesanzeiger*) or any comparable successor media [and, additionally, in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu)]. Any notice so given will be deemed to have been validly given on the third day following the date of such publication (or, if published more than once, on the third day following the date of the first such publication).

(2) *Mitteilungen an das Clearingsystem.* Soweit die Veröffentlichung von Mitteilungen nach Absatz 1 rechtlich nicht mehr erforderlich ist, ist die Emittentin berechtigt, eine Veröffentlichung in den in Absatz 1 genannten Medien durch eine Mitteilung an das Clearingsystem zur Weiterleitung durch das Clearingsystem an die Gläubiger zu ersetzen. Jede derartige Mitteilung gilt am dritten Tag nach dem Tag der Mitteilung an das Clearingsystem als den Gläubigern mitgeteilt.]

(2) *Notification to Clearing System.* If the publication of notices pursuant to paragraph (1) is no longer required by law, the Issuer may, in lieu of publication in the media set forth in paragraph (1) above, deliver the relevant notice to the Clearing System, for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been given to the Holders on the third day after the day on which said notice was given to the Clearing System.]

**[Falls die Pfandbriefe nicht an dem regulierten Markt einer Wertpapierbörse notiert werden, ist Folgendes anwendbar:**

**[If the Pfandbriefe are not listed on the regulated market of a stock exchange the following applies:**

(1) *Mitteilungen an das Clearingsystem.* Die Emittentin wird alle die Pfandbriefe betreffenden Mitteilungen an das Clearingsystem zur Weiterleitung durch das Clearingsystem an die Gläubiger übermitteln. Jede derartige Mitteilung gilt am dritten Tag nach dem Tag der Mitteilung an das Clearingsystem als den Gläubigern mitgeteilt.]

(1) *Notification to Clearing System.* The Issuer shall deliver all notices concerning the Pfandbriefe to the Clearing System for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been given to the Holders on the third day after the day on which said notice was given to the Clearing System.]

(•) *Form der Mitteilung der Gläubiger.* Mitteilungen, die von einem Gläubiger gemacht werden, müssen schriftlich erfolgen und zusammen mit dem Nachweis seiner Inhaberschaft gemäß § 11 Absatz 3 an die Emissionsstelle geleitet werden. Eine solche Mitteilung kann über das Clearingsystem in der von der Emissionsstelle und dem Clearingsystem dafür vorgesehenen Weise erfolgen.

(•) *Form of Notice of Holders.* Notices to be given by any Holder shall be made by means of a written declaration to be delivered together with an evidence of the Holder's entitlement in accordance with § 11 (3) to the Fiscal Agent. Such notice may be given through the Clearing System in such manner as the Fiscal Agent and the Clearing System may approve for such purpose.

## § 11 ANWENDBARES RECHT, GERICHTSSTAND UND GERICHTLICHE GELTENDMACHUNG

## § 11 APPLICABLE LAW, PLACE OF JURISDICTION AND ENFORCEMENT

(1) *Anwendbares Recht.* Form und Inhalt der Pfandbriefe sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht.

(1) *Applicable Law.* The Pfandbriefe, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed in any respect by German law.

(2) *Gerichtsstand.* Nicht ausschließlich zuständig für sämtliche im Zusammenhang mit den Pfandbriefen entstehenden Klagen oder sonstige Verfahren ist das Landgericht Berlin.

(2) *Place of Jurisdiction.* The District Court (*Landgericht*) in Berlin shall have non-exclusive jurisdiction for any action or other legal proceedings arising out of or in connection with the Pfandbriefe.

(3) *Gerichtliche Geltendmachung.* Jeder Gläubiger von Pfandbriefen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Pfandbriefen im eigenen Namen auf der folgenden Grundlage zu schützen oder geltend zu machen: (i) indem er eine Bescheinigung der Depotbank beibringt, bei der er für die Pfandbriefe ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Pfandbriefe bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearingsystem eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) indem er eine Kopie der die betreffenden Pfandbriefe verbriefenden Globalurkunde vorlegt, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearingsystems oder des Verwahrers des Clearingsystems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Pfandbriefe verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet "Depotbank" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Pfandbriefe unterhält, einschließlich des Clearingsystems. Unbeschadet des Vorstehenden kann jeder Gläubiger seine Rechte aus den Pfandbriefen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist.

(3) *Enforcement.* Any Holder of Pfandbriefe may in any proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in its own name its rights arising under such Pfandbriefe on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Pfandbriefe (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Pfandbriefe credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Global Note certified as being a true copy by a duly authorised officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the Global Note representing the Pfandbriefe. For purposes of the foregoing, "Custodian" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Pfandbriefe and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce its rights under the Pfandbriefe also in any other way which is admitted in the country of the proceedings.

## § 12 SPRACHE

**[Falls die Anleihebedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, ist Folgendes anwendbar:**

Diese Anleihebedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigelegt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.]

**[Falls die Anleihebedingungen ausschließlich in deutscher Sprache abgefasst sind, ist Folgendes anwendbar:**

Diese Anleihebedingungen sind ausschließlich in deutscher Sprache abgefasst.]

**[Falls die Anleihebedingungen in englischer Sprache mit einer Übersetzung in die deutsche Sprache abgefasst sind, ist Folgendes anwendbar:**

Diese Anleihebedingungen sind in englischer Sprache abgefasst. Eine Übersetzung in die deutsche Sprache ist beigelegt. Der englische Text ist bindend und maßgeblich. Die Übersetzung in die deutsche Sprache ist unverbindlich.]

## § 12 LANGUAGE

**[If the Terms and Conditions are to be in the German language with an English language translation the following applies:**

These Terms and Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is non-binding.]

**[If the Terms and Conditions are to be in the English language only the following applies:**

These Terms and Conditions are written in the English language only.]

**[If the Terms and Conditions are to be in the English language with a German language translation the following applies:**

These Terms and Conditions are written in the English language and provided with a German language translation. The English text shall be controlling and binding. The German language translation is non-binding.]

In the case of Pfandbriefe listed on the official list of the Luxembourg Stock Exchange or publicly offered in the Grand Duchy of Luxembourg, the Final Terms will be displayed on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

**FORM OF FINAL TERMS**  
**(MUSTER – ENDGÜLTIGE BEDINGUNGEN)**

[Date]  
[Datum]

**Final Terms**  
**Endgültige Bedingungen**

[Title of relevant Series of Pfandbriefe] (the "Pfandbriefe")  
[Bezeichnung der betreffenden Serie der Pfandbriefe] (die "Pfandbriefe")

Issue Date: [●]<sup>1</sup>

Tag der Begebung: [●]

issued pursuant to the  
begeben aufgrund des

EUR 20,000,000,000

Debt Issuance Programme for the issue of Pfandbriefe

EUR 20.000.000.000

Debt Issuance Programme für die Begebung von Pfandbriefen

of  
der

Dexia Kommunalbank Deutschland AG

of 13 May 2014

vom 13. Mai 2014

Series: [ ], Tranche [ ]

Serie: [ ], Tranche [ ]

**Important Notice**

These Final Terms have been prepared for the purpose of Article 5 (4) of the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended, and must be read in conjunction with the base prospectus pertaining to the Programme dated 13 May 2014 (the "**Prospectus**") [and the supplement[s] dated [●]]. The Prospectus and any supplement thereto are available for viewing in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of the Issuer ([www.dexia.de](http://www.dexia.de)) and copies may be obtained from Dexia Kommunalbank Deutschland AG, Charlottenstrasse 82, 10969 Berlin, Germany. Full information is only available on the basis of the combination of the Prospectus, any supplement thereto and these Final Terms. [[An English language summary] [English and German language summaries] of the individual issue of the Pfandbriefe [is] [are] annexed to these Final Terms.]<sup>2</sup>

**Wichtiger Hinweis**

*Diese Endgültigen Bedingungen wurden für die Zwecke des Artikels 5 Absatz 4 der Richtlinie 2003/71/EG des Europäischen Parlaments und des Rates vom 4. November 2003, in der jeweils geltenden Fassung, abgefasst und sind in Verbindung mit dem Basisprospekt vom 13. Mai 2014 über das Programm (der "**Prospekt**") [und [dem][den] [Nachtrag][Nachträgen] vom [●]] zu lesen. Der Prospekt sowie etwaige Nachträge dazu können in elektronischer*

<sup>1</sup> The Issue Date is the date of payment and settlement of the Pfandbriefe. In the case of free delivery, the Issue Date is the delivery date. *Der Tag der Ausgabe ist der Tag, an dem die Pfandbriefe begeben und bezahlt werden. Bei freier Lieferung ist der Tag der Begebung der Tag der Lieferung.*

<sup>2</sup> Not applicable in the case of an issue of Pfandbriefe with a minimum denomination of at least EUR 100,000. *Nicht anwendbar im Fall einer Emission von Pfandbriefen mit einer Mindeststückelung in Höhe von mindestens EUR 100.000.*

Form auf der Internetseite der Luxemburger Börse ([www.bourse.lu](http://www.bourse.lu)) und der Internetseite der Emittentin ([www.dexia.de](http://www.dexia.de)) eingesehen werden. Kopien sind erhältlich bei der Dexia Kommunalbank Deutschland AG, Charlottenstrasse 82, 10969 Berlin, Deutschland. Um sämtliche Angaben zu erhalten, sind der Prospekt, etwaige Nachträge dazu und diese Endgültigen Bedingungen im Zusammenhang zu lesen. [[Eine englischsprachige Zusammenfassung] [English- und deutschsprachige Zusammenfassungen] der einzelnen Emission der Pfandbriefe [ist] [sind] diesen Endgültigen Bedingungen angefügt.]<sup>2</sup>

## Part I.: TERMS AND CONDITIONS

### Teil I.: ANLEIHEBEDINGUNGEN

**[In the case the options applicable to the relevant Tranche of Pfandbriefe are to be determined by replicating the relevant provisions set forth in the Prospectus as Option I or Option II including certain further options contained therein, respectively, and completing the relevant placeholders, insert:]**<sup>3</sup>

*Falls die für die betreffende Tranche von Pfandbriefen geltenden Optionen durch Wiederholung der betreffenden im Prospekt als Option I oder Option II aufgeführten Angaben (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) bestimmt und die betreffenden Leerstellen vervollständigt werden, einfügen.*<sup>3</sup>

The Terms and Conditions applicable to the Pfandbriefe (the "**Conditions**") and the [German] [English] language translation thereof, are as set out below.

*Die für die Pfandbriefe geltenden Anleihebedingungen (die "**Bedingungen**") sowie die [deutschsprachige][englischsprachige] Übersetzung sind wie nachfolgend aufgeführt.*

**[in the case of Pfandbriefe with fixed interest rates replicate here the relevant provisions of Option I including relevant further options contained therein, and complete relevant placeholders]**

*[im Fall von Pfandbriefen mit fester Verzinsung hier die betreffenden Angaben der Option I (einschließlich der betreffenden weiteren Optionen) wiederholen und betreffende Leerstellen vervollständigen]*

**[in the case of Pfandbriefe with floating interest rates replicate here the relevant provisions of Option II including relevant further options contained therein, and complete relevant placeholders]**

*[im Fall von Pfandbriefen mit variabler Verzinsung hier die betreffenden Angaben der Option II (einschließlich der betreffenden weiteren Optionen) wiederholen und betreffende Leerstellen vervollständigen]*

**[In the case the options applicable to the relevant Tranche of Pfandbriefe are to be determined by referring to the relevant provisions set forth in the Prospectus as Option I or Option II including certain further options contained therein, respectively, insert:]**

*Falls die für die betreffende Tranche von Pfandbriefen geltenden Optionen durch Verweisung auf die betreffenden im Prospekt als Option I oder Option II aufgeführten Angaben (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) bestimmt werden, einfügen:*

This Part I. of the Final Terms is to be read in conjunction with the set of Terms and Conditions that apply to Pfandbriefe with [fixed] [floating] interest rates (the "**Terms and Conditions**") set forth in the Prospectus as [Option I] [Option II]. Capitalised terms shall have the meanings specified in the Terms and Conditions.

*Dieser Teil I. der Endgültigen Bedingungen ist in Verbindung mit dem Satz der Anleihebedingungen, der auf Pfandbriefe mit [fester] [variabler] Verzinsung Anwendung findet (die "**Anleihebedingungen**"), zu lesen, der als [Option I] [Option II] im Prospekt enthalten ist. Begriffe, die in den Anleihebedingungen definiert sind, haben dieselbe Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

All references in this Part I. of the Final Terms to numbered paragraphs and subparagraphs are to paragraphs and subparagraphs of the Terms and Conditions.

*Bezugnahmen in diesem Teil I. der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Anleihebedingungen.*

The blanks in the provisions of the Terms and Conditions, which are applicable to the Pfandbriefe shall be deemed to be completed by the information contained in these Final Terms as if such information were inserted in the placeholders of such provisions. All provisions in the Terms and Conditions corresponding to items in these Final

<sup>3</sup> To be determined in consultation with the Issuer. It is anticipated that this type of documenting the Conditions will be required where the Pfandbriefe are to be offered to the public, in whole or in part, or to be initially distributed, in whole or in part, to non-qualified investors. Delete all references to Part I of the Final Terms including numbered paragraphs and subparagraphs of the Terms and Conditions.

*In Abstimmung mit der Emittentin festzulegen. Es ist vorgesehen, dass diese Form der Dokumentation der Bedingungen erforderlich ist, wenn die Pfandbriefe insgesamt oder teilweise anfänglich an nicht qualifizierte Anleger verkauft oder öffentlich angeboten werden. Alle Bezugnahmen auf Teil I der Endgültigen Bedingungen einschließlich der Paragraphen und Absätze der Anleihebedingungen entfernen.*

Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the Terms and Conditions applicable to the Pfandbriefe (the "**Conditions**").

Die Leerstellen in den auf die Pfandbriefe anwendbaren Bestimmungen der Anleihebedingungen gelten als durch die in diesen Endgültigen Bedingungen enthaltenen Angaben ausgefüllt, als ob die Leerstellen in den betreffenden Bestimmungen durch diese Angaben ausgefüllt wären. Sämtliche Bestimmungen der Anleihebedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen, die weder angekreuzt noch ausgefüllt oder die gestrichen werden, gelten als in den auf die Pfandbriefe anwendbaren Anleihebedingungen (die "**Bedingungen**") gestrichen.

## **CURRENCY, DENOMINATION, FORM, DEFINITIONS (§ 1)** **WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN (§ 1)**

### **Currency and Denomination<sup>4</sup>**

#### **Währung und Stückelung**

Specified Currency [ ]  
*Festgelegte Währung*

Aggregate Principal Amount [ ]  
*Gesamtnennbetrag*

Aggregate Principal Amount in words [ ]  
*Gesamtnennbetrag in Worten*

Specified Denomination [ ]  
*Festgelegte Stückelung*

#### **TEFRA C (the "C Rules")<sup>5</sup>**

##### **TEFRA C**

Permanent Global Note  
*Dauerglobalurkunde*

#### **TEFRA D (the "D Rules")**

##### **TEFRA D**

Temporary Global Note exchangeable for Permanent Global Note  
*Vorläufige Globalurkunde austauschbar gegen Dauerglobalurkunde*

### **Business Day**

#### **Geschäftstag**

#### **TARGET**

Other (specify all relevant financial centres) [ ]  
*Sonstige (sämtliche relevante Finanzzentren angeben)*

## **INTEREST (§ 3)**

### **ZINSEN (§ 3)**

#### **Fixed Rate Pfandbriefe (Option I)<sup>6</sup>**

##### **Festverzinsliche Pfandbriefe (Option I)**

Rate of Interest [ ] per cent. *per annum*  
*Zinssatz* [ ] % *per annum*

Interest Commencement Date [ ]

<sup>4</sup> In the case of Jumbo Pfandbriefe, specify Euro.

*Im Falle von Jumbo-Pfandbriefen ist Euro anzugeben.*

<sup>5</sup> In the case of Jumbo Pfandbriefe, specify TEFRA C.

*Im Falle von Jumbo-Pfandbriefen ist TEFRA C anzugeben.*

<sup>6</sup> If not applicable, the following items may be deleted.

*Falls nicht anwendbar, können die folgenden Angaben gelöscht werden.*

*Verzinsungsbeginn*

Fixed Interest Date(s) [ ]  
*Festzinstermine*

First Interest Payment Date [ ]  
*Erster Zinszahlungstag*

Initial Broken Amount (for the Specified Denomination) [Not applicable] [ ]  
*Anfänglicher Bruchteilzinsbetrag (für die festgelegte Stückelung)* [Nicht anwendbar] [ ]

Fixed Interest Date preceding the Maturity Date [Not applicable] [ ]  
*Letzter dem Fälligkeitstag vorausgehender Festzinsternin* [Nicht anwendbar] [ ]

Final Broken Amount (for the Specified Denomination) [Not applicable] [ ]  
*Abschließender Bruchteilzinsbetrag (für die festgelegte Stückelung)* [Nicht anwendbar] [ ]

**Floating Rate Pfandbriefe (Option II)<sup>7</sup>**

*Variabel verzinsliche Pfandbriefe (Option II)*

Interest Commencement Date [ ]  
*Verzinsungsbeginn*

Interest Payment Dates [ ]  
*Zinszahlungstage*

Interest Period(s) [ ] [weeks/months]  
*Zinsperiode(n)* [ ] [Wochen/Monate]

**Rate of Interest**

*Zinssatz*

[number] months EURIBOR  
 [Zahl] Monats-EURIBOR

**Interest Period**

*Zinsperiode*

[ ] [weeks/months]

[ ] [Wochen/Monate]

**Interest Determination Date**

*Zinsfestlegungstag*

Business Day

*Geschäftstag*

(as defined in § 1(6))

*(wie in § 1 Absatz 6 definiert)*

TARGET

Other (specify all relevant financial centres)

*Sonstige (sämtliche relevanten Finanzzentren angeben)*

**Margin**

*Marge*

flat

*keine*

plus

*zuzüglich*

[ ] per cent. *per annum*  
 [ ] % *per annum*

minus

*abzüglich*

[ ] per cent. *per annum*  
 [ ] % *per annum*

<sup>7</sup> If not applicable, the following items may be deleted.  
*Falls nicht anwendbar, können die folgenden Angaben gelöscht werden.*

**[Minimum] [and] [Maximum] Rate of Interest**  
**[Mindest-] [und] [Höchst]zinssatz**

- Minimum Rate of Interest [ ] per cent. *per annum*  
*Mindestzinssatz* [ ] % *per annum*
- Maximum Rate of Interest [ ] per cent. *per annum*  
*Höchstzinssatz* [ ] % *per annum*

**Day Count Fraction**  
**Zinstagequotient**

- Actual/Actual (ICMA Rule 251)  
*Actual/Actual (ICMA Regel 251)*
- First or last short or long interest period  
*Erste oder letzte kurze oder lange Zinsperiode*
- [first] [last] Reference Period  
*[erste] [letzte] Bezugsperiode*
- Deemed Interest Commencement Date [ ]  
*Fiktiver Verzinsungsbeginn*
- Deemed Interest Payment Date[s] [ ]  
*Fiktive[r] Zinszahlungstag[e]*
- Actual/365 (Fixed)
- Actual/360
- 30/360 (Bond Basis)
- 30E/360 (Eurobond Basis)
- 360/360

**PAYMENTS (§ 4)**  
**ZAHLUNGEN (§ 4)**

**Payment Business Day**  
**Zahltag**

**Business Day Convention**  
**Geschäftstagskonvention**

- Modified Following Business Day Convention  
*Modifizierte folgende Geschäftstag-Konvention*
- FRN Convention (specify period(s)) [number] [weeks] [months]  
*FRN Konvention (Zeitraum angeben)* [Zahl] [Wochen] [Monate]
- Following Business Day Convention
- Folgende Geschäftstag-Konvention*
- Preceding Business Day Convention
- Vorangegangene Geschäftstag-Konvention*

**Adjustment** [Yes/No]  
**Anpassung** [Ja/Nein]

**Payment Business Day**  
**Zahltag**

- Business Day (as defined in § 1(6))  
*Geschäftstag (wie in § 1 Absatz 6 definiert)*
- TARGET
- Other (specify all relevant financial centres) [ ]



*Sonstige (sämtliche relevanten Finanzzentren angeben)*

**REDEMPTION (§ 5)**

**RÜCKZAHLUNG (§ 5)**

**Redemption at Maturity**

**Rückzahlung bei Endfälligkeit**

Maturity Date [ ]  
*Fälligkeitstag*

Redemption Month<sup>8</sup> [ ]  
*Rückzahlungsmonat*

**Early Redemption at the Option of the Issuer<sup>9</sup>**

[Yes/No]

**Vorzeitige Rückzahlung nach Wahl der Emittentin**

[Ja/Nein]

Call Redemption Date(s) [ ]  
*Wahl-Rückzahlungstag(e)(Call)*

Call Redemption Amount(s) [ ]  
*Wahl-Rückzahlungsbetrag/beträge(Call)*

Minimum Notice to Holders [ ]  
*Mindestkündigungsfrist*

Maximum Notice of Holders [ ]  
*Höchstkündigungsfrist*

Days  
*Tage*

Business Days  
*Geschäftstage*

(as defined in § 1(6))  
*(wie in § 1 Absatz 6 definiert)*

TARGET

Other (specify all relevant financial centres) [ ]  
*Sonstige (sämtliche relevanten Finanzzentren angeben)*

**AGENTS (§ 6)**

**BEAUFTRAGTE STELLEN (§ 6)**

Paying Agents

*Zahlstellen*

Banque Internationale à Luxembourg, société anonyme

Calculation Agent<sup>10</sup>  
*Berechnungsstelle*

[insert name and address]  
[Name und Adresse einfügen]

**NOTICES (§ 10)**

**MITTEILUNGEN (§ 10)**

**Place and Medium of publication**

<sup>8</sup> Not to be completed in the case of Fixed Rate Pfandbriefe.  
*Nicht im Fall von festverzinslichen Pfandbriefen zu vervollständigen.*

<sup>9</sup> In the case of Jumbo Pfandbriefe, there will be no Early Redemption.  
*Im Falle von Jumbo-Pfandbriefen gibt es keine Vorzeitige Rückzahlung.*

<sup>10</sup> Insert only in the case of Floating Rate Pfandbriefe.  
*Nur im Fall von variabel verzinslichen Pfandbriefen einzufügen.*

**Ort und Medium der Bekanntmachung**

- Federal Gazette  
*Bundesanzeiger*
- Website of the Luxembourg Stock Exchange (www.bourse.lu)  
*Internetseite der Luxemburger Börse (www.bourse.lu)*
- Clearing System<sup>11</sup>  
*Clearingsystem*

**Language of Conditions<sup>12</sup>****Sprache der Bedingungen**

- German and English (German controlling)<sup>13</sup>  
*Deutsch und Englisch (deutscher Text maßgeblich)*
- German only<sup>14</sup>  
*Ausschließlich Deutsch*
- English only  
*Ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)]*

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<sup>11</sup> Insert only in the case of Pfandbriefe which are not to be listed on a regulated market.

*Nur im Fall von Pfandbriefen, die nicht an einem regulierten Markt notiert werden, einfügen.*

<sup>12</sup> To be determined in consultation with the Issuer. It is anticipated that, subject to any stock exchange or legal requirements applicable from time to time, and unless otherwise agreed, in the case of Pfandbriefe publicly offered, in whole or in part, or distributed, in whole or in part, to non-qualified investors, German will be the controlling language. If, in the event of such public offer or distribution to non-qualified investors, however, English is chosen as the controlling language, a German language translation of the Conditions will be available from the principal office of the Issuer.

*In Abstimmung mit der Emittentin festzulegen. Es wird erwartet, dass vorbehaltlich geltender Börsen- oder anderer Bestimmungen und soweit nicht anders vereinbart, die deutsche Sprache für Pfandbriefe maßgeblich sein wird, die insgesamt oder teilweise öffentlich zum Verkauf angeboten oder an nicht qualifizierte Anleger verkauft werden. Falls bei einem solchen öffentlichen Verkaufsangebot oder Verkauf an nicht qualifizierte Anleger die englische Sprache als maßgeblich bestimmt wird, wird eine deutschsprachige Übersetzung der Bedingungen bei der Hauptgeschäftsstelle der Emittentin erhältlich sein.*

<sup>13</sup> To be inserted in the case of Jumbo Pfandbriefe.

*Im Fall von Jumbo-Pfandbriefen einfügen.*

<sup>14</sup> Use only in the case of Pfandbriefe not publicly offered and/or not intended to be listed on any regulated market within the European Economic Area.

*Nur im Fall von Pfandbriefen zu nutzen, die nicht öffentlich angeboten und nicht am regulierten Markt innerhalb des Europäischen Wirtschaftsraums zum Handel zugelassen werden sollen.*

**Part II.: OTHER INFORMATION**  
**Teil II.: ZUSÄTZLICHE INFORMATIONEN**

**A. Key information**

**Wichtige Angaben**

**Interests of natural and legal persons involved in the issue/offer**

**Interessen von Seiten natürlicher und juristischer Personen,  
die an der Emission/dem Angebot beteiligt sind**

- Save as described in the Prospectus, so far as the Issuer is aware, no person involved in the offer of the Pfandbriefe has an interest material to the offer.  
*Mit Ausnahme der im Prospekt beschriebenen Interessen besteht bei den an der Emission beteiligten Personen nach Kenntnis der Emittentin kein wesentliches Interesse an dem Angebot der Pfandbriefe.*

- Additional interests  
*Zusätzliche Interessen*

[specify details]  
[Einzelheiten einfügen]

**Reasons for the offer<sup>15</sup>**  
**Gründe für das Angebot**

[specify details]  
[Einzelheiten einfügen]

- |  |     |
|--|-----|
| Estimated net proceeds <sup>16</sup><br><i>Geschätzter Nettoerlös</i>                | [ ] |
| Estimated total expenses of the issue<br><i>Geschätzte Gesamtkosten der Emission</i> | [ ] |

**B. Information concerning the securities to be offered/admitted to trading**  
**Informationen über die anzubietenden bzw. zum Handel zuzulassenden Wertpapiere**

**Securities Identification Numbers**  
**Wertpapierkennnummern**

- |   |     |
|---|-----|
| ISIN<br><i>ISIN</i>   | [ ] |
| Common Code<br><i>Common Code</i>                               | [ ] |
| German Securities Code<br><i>Wertpapierkennnummer (WKN)</i>     | [ ] |
| Any other securities number<br><i>Sonstige Wertpapiernummer</i> | [ ] |

**Historic Interest Rates and further performance as well as volatility<sup>17</sup>**  
**Zinssätze der Vergangenheit und künftige Entwicklungen sowie ihre Volatilität**

Details of historic EURIBOR rates  
and the further performance as well as their volatility  
can be obtained from

Reuters EURIBOR01

*Einzelheiten zu vergangenen EURIBOR Sätzen  
und Informationen über künftige Entwicklungen sowie ihre Volatilität  
können abgerufen werden unter*

*Reuters EURIBOR01*

<sup>15</sup> If reasons for the offer are different from making profit and/or hedging certain risks include those reasons here. Not to be completed in the case of Pfandbriefe with a Specified Denomination of at least EUR 100,000.

*Sofern die Gründe für das Angebot nicht in der Gewinnerzielung und/oder der Absicherung bestimmter Risiken bestehen, sind die Gründe hier anzugeben. Nicht auszufüllen bei Pfandbriefen mit einer festgelegten Stückelung von mindestens EUR 100.000.*

<sup>16</sup> If proceeds are intended for more than one use, will need to split out and present in order of priority.

*Sofern die Erträge für verschiedene Verwendungszwecke bestimmt sind, sind diese aufzuschlüsseln und nach der Priorität der Verwendungszwecke darzustellen.*

<sup>17</sup> Only applicable for Floating Rate Pfandbriefe.

*Nur bei variabel verzinslichen Pfandbriefen anwendbar.*

<b>Yield<sup>18</sup></b> <b>Rendite</b>	[Not applicable] [ ] [Nicht anwendbar] [ ]
<b>Resolutions, authorisations and approvals by virtue of which the Pfandbriefe will be created and/or issued</b> <b>Beschlüsse, Ermächtigungen und Genehmigungen, welche die Grundlage für die Schaffung der Pfandbriefe und/oder deren Emission bilden</b>	[Specify details] [Einzelheiten einfügen]
<b>C. Terms and conditions of the offer<sup>19</sup></b> <b>Bedingungen und Konditionen des Angebots</b>	
<b>C.1 Conditions, offer statistics, expected timetable and action required to apply for the offer</b> <b>Bedingungen, Angebotsstatistiken, erwarteter Zeitplan und erforderliche Maßnahmen für die Antragstellung</b>	[Not applicable] [Nicht anwendbar]
Conditions to which the offer is subject <i>Bedingungen, denen das Angebot unterliegt</i>	[Specify details] [Einzelheiten einfügen]
Total amount of the offer; if the amount is not fixed, description of the arrangements and time for announcing to the public the definitive amount of the offer <i>Gesamtsumme der des Angebots, wenn der Betrag nicht feststeht, Beschreibung der Vereinbarungen und des Zeitpunkts für die Ankündigung des endgültigen Angebotsbetrags an das Publikum</i>	[Specify details] [Einzelheiten einfügen]
Time period, including any possible amendments, during which the offer will be open <i>Frist – einschließlich etwaiger Änderungen – während der das Angebot vorliegt</i>	[ ]
Description of the application process <i>Beschreibung des Prozesses für die Umsetzung des Angebots</i>	[ ]
A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants <i>Beschreibung der Möglichkeit zur Reduzierung der Zeichnungen und der Art und Weise der Erstattung des zu viel gezahlten Betrags an die Zeichner</i>	[ ]
Details of the minimum and/or maximum amount of application, (whether in number of Pfandbriefe or aggregate amount to invest) <i>Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung (entweder in Form der Anzahl der Pfandbriefe oder des aggregierten zu investierenden Betrags)</i>	[ ]
Method and time limits for paying up the Pfandbriefe and for delivery of the Pfandbriefe <i>Methode und Fristen für die Bedienung der Pfandbriefe und ihre Lieferung</i>	[ ]
Manner and date in and on which results of the offer are to be made public <i>Art und Weise und Termin, auf die bzw. an dem die Ergebnisse des Angebots offen zu legen sind</i>	[ ]
The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised. <i>Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Marktfähigkeit der Zeichnungsrechte und die Behandlung der nicht ausgeübten Zeichnungsrechte</i>	[ ]
<b>C.2 Plan of distribution and allotment<sup>20</sup></b> <b>Plan für die Aufteilung der Wertpapiere und deren Zuteilung</b>	[Not applicable] [Nicht anwendbar]

<sup>18</sup> Only applicable for Fixed Rate Pfandbriefe.

*Nur bei festverzinslichen Pfandbriefen anwendbar.*

<sup>19</sup> Complete with respect to an offer of Pfandbriefe to the public with a Specified Denomination of less than EUR 100,000.  
*Bei öffentlichem Angebot von Pfandbriefen mit einer festgelegten Stückelung von weniger als EUR 100.000 auszufüllen.*

If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate such tranche [ ]  
*Erfolgt das Angebot gleichzeitig auf den Märkten zweier oder mehrerer Länder und wurde/wird eine bestimmte Tranche einigen dieser Märkte vorbehalten, Angabe dieser Tranche*

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made [ ]  
*Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist*

**C.3 Pricing<sup>21</sup> [Not applicable]**  
***Kursfeststellung [Nicht anwendbar]***

Expected price at which the Pfandbriefe will be offered [Not applicable][Specify details]  
 or the method of determining the price and the process for its disclosure  
*Preis, zu dem die Pfandbriefe voraussichtlich angeboten werden, oder der Methode, mittels derer der Preis festgelegt wird, und des Verfahrens für die Offenlegung* [Nicht anwendbar] [Einzelheiten einfügen]

Amount of expenses and taxes charged to the subscriber / purchaser [Not applicable][Specify details]  
*Kosten/Steuern, die dem Zeichner/Käufer in Rechnung gestellt werden* [Nicht anwendbar] [Einzelheiten einfügen]

**C.4 Placing and underwriting<sup>22</sup>**  
***Platzierung und Übernahme***

Name[s] and address[es] of the co-ordinator[s] of the global offer or of single parts of the offer and, to the extent known to the Issuer or the offeror, of the placers in the various countries where the offer takes place. [ ]  
*Name[n] und Anschrift[en] [des Koordinator] [der Koordinatoren] des gesamten Angebots oder einzelner Teile des Angebots und – sofern der Emittentin oder dem Anbieter bekannt – Angaben zu den Platzeuren in den einzelnen Ländern des Angebots]*

**Method of distribution**  
***Vertriebsmethode***

- Non-syndicated  
*Nicht syndiziert*
- Syndicated  
*Syndiziert*

Date of Subscription Agreement<sup>23</sup> [ ]  
*Datum des Subscription Agreements*

Material features of the Subscription Agreement including the quotes<sup>24</sup> [ ]  
*Hauptmerkmale des Übernahmevertrages einschließlich der Quoten*

**Dealer/Management details including form of commitment<sup>25</sup>**  
***Einzelheiten bezüglich des Platzeurs/Bankenkonsortiums einschließlich der Art der Übernahme***

<sup>20</sup> Complete with respect to an offer of Pfandbriefe to the public with a Specified Denomination of less than EUR 100,000.  
*Bei öffentlichem Angebot von Pfandbriefen mit einer festgelegten Stückelung von weniger als EUR 100.000 auszufüllen.*

<sup>21</sup> Complete with respect to an offer of Pfandbriefe to the public with a Specified Denomination of less than EUR 100,000.  
*Bei öffentlichem Angebot von Pfandbriefen mit einer festgelegten Stückelung von weniger als EUR 100.000 auszufüllen.*

<sup>22</sup> Complete with respect to an offer of Pfandbriefe to the public with a Specified Denomination of less than EUR 100,000.  
*Bei öffentlichem Angebot von Pfandbriefen mit einer festgelegten Stückelung von weniger als EUR 100.000 auszufüllen.*

<sup>23</sup> Required only for Pfandbriefe issued on a syndicated basis in the case of Pfandbriefe with a Specified Denomination of less than EUR 100,000.  
*Nur erforderlich bei Pfandbriefen mit einer festgelegten Stückelung von weniger als EUR 100.000, wenn es sich um Pfandbriefe handelt, die auf syndizierter Basis begeben werden.*

<sup>24</sup> To be completed only if known.  
*Nur auszufüllen, sofern bekannt.*

<sup>25</sup> Not required for Pfandbriefe with a Specified Denomination of at least EUR 100,000.  
*Nicht erforderlich bei Pfandbriefen mit einer festgelegten Stückelung von mindestens EUR 100.000.*

Dealer/Management Group <i>Platzeur/Bankenkonsortium</i>	[specify name[s] and address[es]] <i>[Name[n] und Adresse[n] angeben]</i>
<input type="checkbox"/> Firm commitment <i>Feste Zusage</i>	[ ]
<input type="checkbox"/> No firm commitment / best efforts arrangements <i>Keine feste Zusage / zu den bestmöglichen Bedingungen</i>	[ ]
<b>Commissions<sup>26</sup></b> <b>Provisionen</b>	
Management/Underwriting Commission <i>Management- und Übernahmeprovision</i>	[specify] [None] <i>[angeben] [Keine]</i>
Selling Concession <i>Verkaufsprovision</i>	[specify] <i>[angeben]</i>
<b>Stabilising Dealer/Manager</b> <b>Kursstabilisierender Dealer/Manager</b>	[specify details][None] <i>[Einzelheiten einfügen][Keiner]</i>
<b>D. Admission(s) to Trading</b> <b>Börsenzulassung(en)</b>	[Yes][No] <i>[Ja][Nein]</i>
<input type="checkbox"/> Berlin, Regulated Market <i>Berlin, Regulierter Markt</i>	
<input type="checkbox"/> Luxembourg Stock Exchange: Regulated Market <i>Luxemburger Wertpapierbörse: Regulierter Markt</i>	
Expected date of admission <sup>23</sup> <i>Erwarteter Termin der Zulassung</i>	[ ]
Estimate of the total expenses related to admission to trading <sup>27</sup> <i>Geschätzte Gesamtkosten für die Zulassung zum Handel</i>	[ ]
Regulated Markets or equivalent markets on which, to the knowledge of the Issuer, securities of the same class as the Pfandbriefe to be offered or admitted to trading are already admitted to trading. <sup>28</sup> <i>Angabe geregelter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Pfandbriefe der gleichen Wertpapierkategorie, die zum Handel angeboten oder zugelassen werden sollen, bereits zum Handel zugelassen sind</i>	
<input type="checkbox"/> Berlin (Regulated Market)	
<input type="checkbox"/> Luxembourg (Regulated Market)	
<b>Issue Price</b> <b>Ausgabepreis</b>	[ ] per cent <i>[ ]%</i>
Names and addresses of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment <sup>29</sup> <i>Namen und Anschriften der Institute, die aufgrund einer festen Zusage als Intermediäre im Sekundärhandel tätig sind und Liquidität mittels</i>	[Not applicable] <b>[Specify details]</b> <i>[Nicht anwendbar]</i> <b>[Einzelheiten einfügen]</b>

<sup>26</sup> Not required for Pfandbriefe with a Specified Denomination of at least EUR 100,000.  
Nicht erforderlich bei Pfandbriefen mit einer festgelegten Stückelung von mindestens EUR 100.000.

<sup>27</sup> Not required for Pfandbriefe with a Specified Denomination of less than EUR 100,000.  
Nicht erforderlich bei Pfandbriefen mit einer festgelegten Stückelung von weniger als EUR 100.000.

<sup>28</sup> Only to be completed in the case of an increase. In the case of an increase, which is fungible with a preceding issue, need to indicate that the original Pfandbriefe are already admitted to trading. Not required for Pfandbriefe with a Specified Denomination of at least EUR 100,000.  
Nur auszufüllen im Falle einer Aufstockung. Im Falle einer Aufstockung, die mit einer vorangegangenen Emission fungibel ist, ist die Angabe erforderlich, dass die ursprünglichen Pfandbriefe bereits zum Handel zugelassen sind. Nicht erforderlich bei Pfandbriefen mit einer festgelegten Stückelung von mindestens EUR 100.000.

<sup>29</sup> Not required for Pfandbriefe with a Specified Denomination of at least EUR 100,000.  
Nicht erforderlich bei Pfandbriefen mit einer festgelegten Stückelung von mindestens EUR 100.000.

*Geld- und Briefkursen zur Verfügung stellen, und  
Beschreibung der Hauptbedingungen der Zusagevereinbarung*

## **E. Additional Information**

### *Zusätzliche Angaben*

**Rating**<sup>30</sup>

[ ]

**Rating**

[Specify whether the relevant rating agency is established in the European Community and is registered or has applied for registration pursuant to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "CRA Regulation"). The European Securities and Markets Authority publishes on its website (www.esma.europa.eu) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.]

*[Einzelheiten einfügen, ob die jeweilige Ratingagentur ihren Sitz in der Europäischen Gemeinschaft hat und gemäß Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen, in der jeweils geltenden Fassung, (die "Ratingagentur-Verordnung") registriert ist oder die Registrierung beantragt hat. Die Europäische Wertpapier- und Marktaufsichtsbehörde veröffentlicht auf ihrer Internetseite (www.esma.europa.eu) ein Verzeichnis der nach der Ratingagentur-Verordnung registrierten Ratingagenturen. Dieses Verzeichnis wird innerhalb von fünf Werktagen nach Annahme eines Beschlusses gemäß Artikel 16, 17 oder 20 der Ratingagentur-Verordnung aktualisiert. Die Europäische Kommission veröffentlicht das aktualisierte Verzeichnis im Amtsblatt der Europäischen Union innerhalb von 30 Tagen nach der Aktualisierung.]*

Non-exempt Offer  
*Nicht-befreites Angebot*

[Not applicable] [Applicable]<sup>31</sup>  
*[Nicht anwendbar] [Anwendbar]*

## **F. Information to be provided regarding the consent by the Issuer or person responsible for drawing up the Prospectus**

### *Zur Verfügung zu stellende Informationen über die Zustimmung des Emittenten oder der für die Erstellung des Prospekts zuständigen Person*

Offer period during which subsequent resale or final placement of the Pfandbriefe  
by Dealers and/or further financial intermediaries can be made

[Not applicable] [Specify details]<sup>32</sup>

*Angebotsperiode, während derer der spätere Weiterverkauf  
oder die endgültige Platzierung der Pfandbriefe durch die Platzeure oder  
weitere Finanzintermediäre erfolgen kann*

*[Nicht anwendbar] [Einzelheiten einfügen]*

## **[THIRD PARTY INFORMATION ANGABEN VON SEITEN DRITTER**

With respect to any information included herein and specified to be sourced from a third party (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information available to it from such third party, no facts have been omitted which would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy thereof.

<sup>30</sup> Do not complete, if the Pfandbriefe are not rated on an individual basis. In the case of Pfandbriefe with a Specified Denomination of less than EUR 100,000, need to include a brief explanation of the meaning of the ratings if this has been previously published by the rating provider.

*Nicht auszufüllen, wenn kein Einzelrating für die Pfandbriefe vorliegt. Bei Pfandbriefen mit einer festgelegten Stückelung von weniger als EUR 100.000, kurze Erläuterung der Bedeutung des Ratings, wenn dieses unlängst von der Ratingagentur erstellt wurde.*

<sup>31</sup> If applicable, insert: "An offer of the Pfandbriefe may be made by the Dealer [and [specify, if applicable]] other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) which must be jurisdictions where the Prospectus and any supplements have been passported] during the period from [ ] until [ ]".

*Wenn anwendbar, einfügen: "Die Pfandbriefe können von den Platzeuren [und [angeben, falls anwendbar]] anders als gemäß Artikel 3(2) der Prospekttrichtlinie in [die jeweiligen Mitgliedstaaten angeben, die den Jursidiktionen entsprechen müssen, in die der Prospekt und etwaige Nachträge notifiziert wurden] im Zeitraum von [ ] bis [ ] angeboten werden".*

<sup>32</sup> In general, the offer period shall correspond with the period for which a non-exempt offer is permitted.

*In der Regel soll die Angebotsperiode dem Zeitraum entsprechen, für den ein nicht befreites Angebot zulässig ist.*

*Hinsichtlich der hierin enthaltenen und als solche gekennzeichneten Informationen von Seiten Dritter gilt Folgendes: (i) Die Emittentin bestätigt, dass diese Informationen zutreffend wiedergegeben worden sind und – soweit es der Emittentin bekannt ist und sie aus den von diesen Dritten zur Verfügung gestellten Informationen ableiten konnte – keine Tatsachen unterschlagen wurden, die die wiedergegebenen Informationen unzutreffend oder irreführend gestalten würden; (ii) die Emittentin hat diese Informationen nicht selbständig überprüft und übernimmt keine Verantwortung für ihre Richtigkeit.]*

**Dexia Kommunalbank Deutschland AG**

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**[Name & title of signatories]**

**[Name und Titel der Unterzeichnenden]**



## DESCRIPTION OF DEXIA KOMMUNALBANK DEUTSCHLAND AG

### STATUTORY AUDITORS

Since 3 April 2008, Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft ("**Deloitte & Touche**"), Kurfürstendamm 23, 10719 Berlin, Germany are the Issuer's independent auditors.

Deloitte & Touche audited the non-consolidated annual financial statements of the Issuer for the financial year ended 31 December 2013 (consisting of balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the annual financial statements; together, the "**Annual Financial Statements 2013**") as set out in the Annual Report (*Geschäftsbericht*) 2013 of the Issuer (the "**Annual Report 2013**") and the financial year ended 31 December 2012 (consisting of balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the annual financial statements; together, the "**Annual Financial Statements 2012**") as set out in the Annual Report (*Geschäftsbericht*) 2012 of the Issuer (the "**Annual Report 2012**") in accordance with German generally accepted auditing standards and issued an unqualified auditor's report (*uneingeschränkter Bestätigungsvermerk*) on the financial statements for each financial year specified.

Deloitte & Touche is a member of the Chamber of Public Accountants (*Wirtschaftsprüferkammer*), Rauchstraße 26, 10787 Berlin, Germany.

### GENERAL INFORMATION ABOUT THE ISSUER

Legal and commercial name:	Dexia Kommunalbank Deutschland AG (" <b>DKD</b> ")
Domicile:	Berlin, Federal Republic of Germany
Legal form:	Stock corporation ( <i>Aktiengesellschaft</i> )
Legislation of operation:	German law
Country of incorporation:	Federal Republic of Germany
Registered and principal office:	
Address:	Dexia Kommunalbank Deutschland AG Charlottenstraße 82 10969 Berlin Germany
Telephone number:	+49 (0)30 25 598-0

The Issuer is registered in the commercial register at the local court (*Amtsgericht*) of Berlin-Charlottenburg under number HRB 36928. The Issuer is a credit institution which was established on 26 February 1991 in Berlin, Germany as a stock corporation (*Aktiengesellschaft*) governed by German law. It is incorporated for an unlimited period of time.

On 26 February 1991, the Issuer started business operations under the corporate name Hypothekenbank in Berlin AG. At the outset, Public Finance and Mortgage Finance were the focus of the Issuer's activities.

In September 1995, the French financial institution Crédit Local de France, Paris ("**CLF**") took over 50.48 per cent. of the shares of Hypothekenbank in Berlin AG. At the beginning of 1997, CLF joined Dexia Group (as defined below). Subsequently, the Issuer's legal name was changed into Dexia Hypothekenbank Berlin AG.

In 1998, the mortgage business was discontinued (the last outstanding Mortgage Pfandbriefe (*Hypothekendarlehen*), issued by DKD, matured in 2007) and Public Finance became the Issuer's single business field. In the first half of 2000, Dexia Group restructured its organisation. As a result, the majority shareholding in Dexia Hypothekenbank Berlin AG was transferred to Dexia Public Finance Bank (Paris) which changed its name to Dexia Crédit Local S.A. ("**DCL**") in March 2001. On 1 October 2003, DCL acquired the 49.52 per cent. shareholding from the former minority shareholder, making Dexia Hypothekenbank Berlin AG a wholly-owned subsidiary of DCL.

Since 1999, the Issuer's business is mainly focused on expanding its Public Finance business. In this context, the Issuer makes use of all business opportunities resulting from the German Pfandbrief Act (*Pfandbriefgesetz*; the "**Pfandbrief Act**") dated 22 May 2005, as amended, such as the issuance of Public Sector Pfandbriefe (*Öffentliche Pfandbriefe*) whose covered assets comprise public loans and bonds etc. in accordance with § 20 Pfandbrief Act (see the section "*Description of the Pfandbriefmarket*" for more information on Pfandbriefe).

In line with its business focus, Dexia Hypothekenbank Berlin AG decided to change its legal name into Dexia Kommunalbank Deutschland AG. The new legal name became effective upon its entry into the commercial register at the local court (*Amtsgericht*) of Berlin-Charlottenburg on 8 February 2006.

In 2006, the Issuer decided to enter into the business sectors Project Finance and Municipal Corporate Finance.

In its Transformation Plan, which was approved by the Management Board of Dexia SA, Bruxelles ("**Dexia SA**") on 13 November 2008 and announced on 14 November 2008 (the "**Transformation Plan**"), Dexia SA, the parent company of the Dexia group of companies (the "**Dexia Group**") outlined the realignment of Dexia Group's business model. One of the consequences of the Transformation Plan for DKD was the discontinuance of its primary Public Finance business for the time being as well as its Project Finance business and Municipal Corporate Finance business in 2009. However, DKD continued to purchase high quality public sector assets from other Dexia Group companies and to provide funding for this by issuing Public Sector Pfandbriefe ("**Group Asset Purchasing Programme**").

Following renewed pressure on Dexia Group's liquidity situation and pursuant to the announcement on 4 October 2011 that the Dexia Group was to be restructured, the Board of Management of DKD decided to cease the Group Asset Purchasing Programme with immediate effect. The States of Belgium, France and Luxembourg then filed with regard to Dexia Group an "orderly resolution plan" (the "**Orderly Resolution Plan**") with the European Commission on 14 December 2012 which was approved and communicated by the European Commission on 28 December 2012. According to the Orderly Resolution Plan, DKD belongs to a group of companies which is required to orderly unwind its assets without entering into new lending business. The ultimate goal of DKD is therefore to decrease its securities and credit portfolios, using the natural maturity profile.

In accordance with the Orderly Resolution Plan, DKD will, as has already been the case since October 2011, also not assign any new credit in the future, but will however operate additional new business as part of its liquidity and cover pool management. As a result, the focus of DKD's business activities shifts to the management of its securities and credit portfolios with the following focal points:

- the preservation of strict cost discipline, with regard to both personnel and material costs,
- the optimisation of its funding mix to further reduce refinancing costs, and
- the retention of operative excellence and the avoidance of relevant operational risks in an environment of increasing regulatory requirements.

Also, DKD will continue to provide refinancing to the Dexia Group.

DKD is fully integrated into the internal liquidity management system of DCL.

DKD has the benefit of a Letter of Support issued by DCL on 28 February 2011 (the "**Letter of Support**"). Pursuant to the Letter of Support, DCL states, *inter alia*, that it undertakes to ensure that DKD will at all times be able to discharge all its commitments of whatever nature, particularly its financial commitments, when due.

The Letter of Support is not a guarantee by DCL of any Pfandbrief to be issued by DKD under the Programme. Since the Letter of Support has been issued in favour of DKD only, the Holders would not have a recourse right against DCL in the case of a default by DKD on any payments to be made under any Pfandbrief to be issued under the Programme.

## **BUSINESS OVERVIEW**

### **Principal activities**

DKD is a bank focused on the administration of its securities and credit portfolios of national and international cover pool-eligible Public Finance and municipal corporate assets. Generally, the Issuer's business activities are divided into two activity lines:

- (International) Public Finance
- Treasury and Funding.

Following the Orderly Resolution Plan, DKD will not assign any new credit in the future, but will however operate additional new business as part of its liquidity and cover pool management. The main objective of the activity line Treasury and Funding is to manage the Issuer's bonds and other interest bearing securities as well as to secure an appropriate funding of the Issuer's activities. For refinancing purposes, DKD issues Public Sector Pfandbriefe (*Öffentliche Pfandbriefe*) which are the Issuer's main source of funding.

In order to further diversify its funding sources, DKD started offering the acceptance of time and demand deposits to its municipal and other customers in 2010. The deposits totalled EUR 5.1 billion by the end of the year 2013. That part of the deposit business, which is called "Treasury Plus" and which allows clients to withdraw their deposits at any moment (no contractual maturity date), constitutes one of the largest portions of the time and demand deposit business.

### Principal markets

The Issuer's principal geographical markets are eligible countries in accordance with the Pfandbrief Act, especially Germany.

### MAJOR SHAREHOLDERS

The subscribed capital of DKD amounted to EUR 432.50 million as of 31 December 2013 and remains unchanged as of the date of this Prospectus. DKD's subscribed capital is divided into 432.50 million registered shares (*Namensaktien*) of EUR 1.00 each, which are fully paid up. 100 per cent. of DKD's shares are held by DCL. 100 per cent. of DCL is held by Dexia SA. DKD has no subsidiaries.

### ORGANISATIONAL STRUCTURE

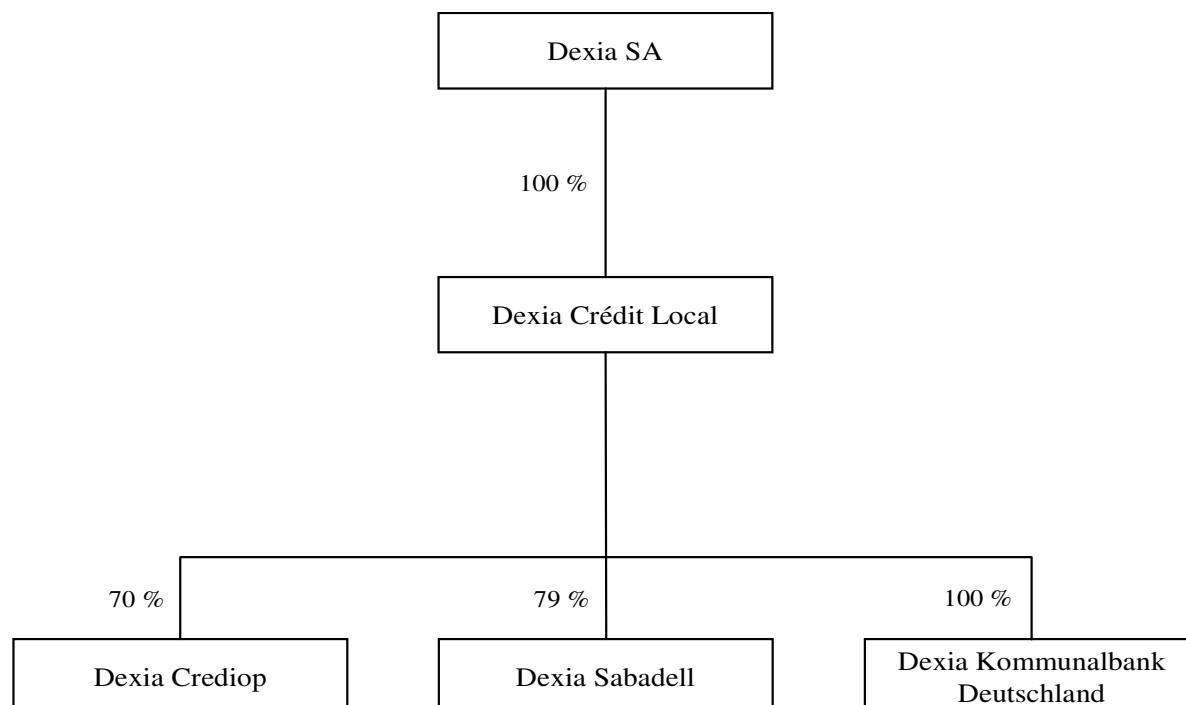
#### Description of Dexia SA

The Issuer belongs to Dexia Group which is headed by Dexia SA. Dexia Group is a European banking group with 1,885 members of staff and core shareholders' equity of EUR 9.96 billion as at 31 December 2013.

The following diagram provides an overview of the Issuer's position within Dexia Group and illustrates the structure and essential shareholdings (essential shareholdings are those in excess of 50 per cent. of the shares) of Dexia Group as at the date of this Prospectus.

Some of the Dexia Group entities may have subsidiaries and/or branches which are not shown in the diagram.

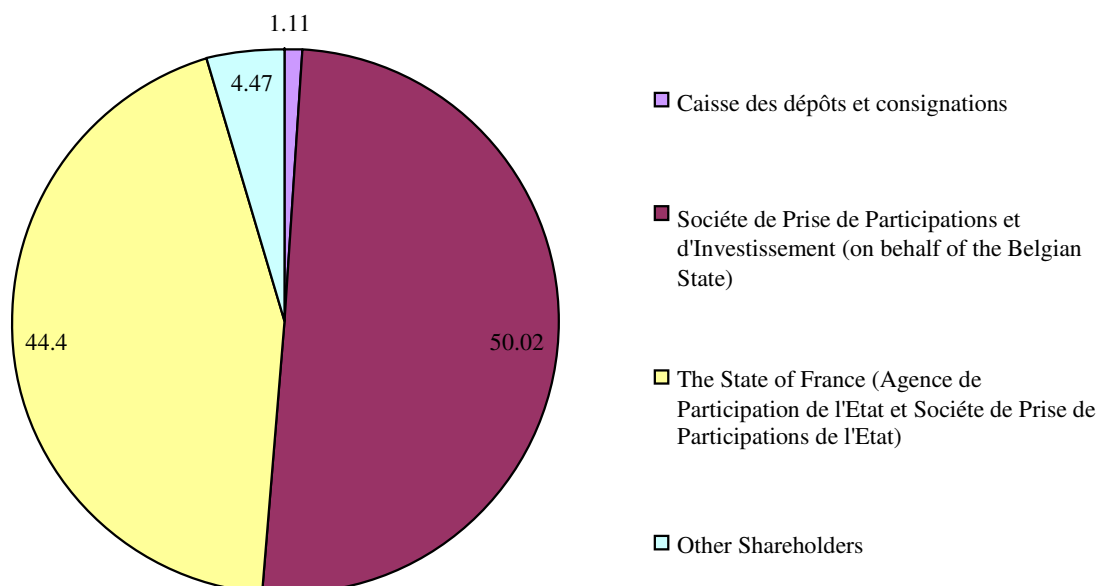
#### Simplified Group Structure



#### Shareholder structure of Dexia SA

As at the date of this Prospectus, the shareholder structure of Dexia SA is as follows:

## Shareholder Structure of Dexia S.A.



### Recent Developments in relation to Dexia SA

#### *The transformation process of the Dexia Group*

Despite the restructuring progress made by the Dexia Group since the end of 2008 both in reducing its balance sheet and refocusing its activities and in reducing its risk profile, the Dexia Group encountered serious refinancing difficulties in the autumn of 2011, in the wake of the accelerating sovereign debt crisis, leading it to announce the implementation of an orderly resolution of its activities with the support of the States of Belgium, France and Luxembourg.

On 28 December 2012, the European Commission communicated its approval of the Dexia Orderly Resolution Plan submitted by the States of Belgium, France and Luxembourg on 14 December 2012.

The validation by the European Commission of the Orderly Resolution Plan marked the beginning of a decisive stage for the Dexia Group. It permitted the implementation of the two pillars of the Orderly Resolution Plan, which are (i) the EUR 5.5 billion capital increase for Dexia SA, and (ii) the establishment of the definitive funding guarantee by the States of Belgium, France and Luxembourg.

#### *Main elements of the Orderly Resolution Plan*

##### **Recapitalisation undertaking by the States of Belgium and France**

Following the full impairment of the DCL holding in the books of Dexia SA posted on 7 November 2012, the States of Belgium and France subscribed in full to a Dexia SA capital increase of EUR 5.5 billion as of 31 December 2012.

This capital increase had been calibrated so as to enable Dexia Group's orderly resolution to continue in accordance with the terms validated by the European Commission. 53 per cent. of the capital increase were subscribed for by the State of Belgium and 47 per cent. by the State of France.

##### **Implementation of a definitive liquidity guarantee**

The States of Belgium, France and Luxembourg granted a definitive joint and several funding guarantee in favour of DCL, which came into force on 24 January 2013. The ceiling of this guarantee is EUR 85 billion in principal, including funding already covered by the provisional guarantee in favour of Dexia SA and DCL put in place by the

States of Belgium, France and Luxembourg in December 2011 (which outstanding amount was EUR 53.9 billion as at 27 December 2012).

The liability for this definitive guarantee is split between the States of Belgium, France and Luxembourg as follows: 51.41 per cent. Belgium, 45.59 per cent. France and 3 per cent. Luxembourg.

The definitive guarantee covers funding raised in the form of securities and financial instruments, deposits or borrowings until 31 December 2021, with a maximum maturity of ten years.

The cost of the definitive guarantee has been set by the States of Belgium, France and Luxembourg, in agreement with the European Commission, at 5 basis points per annum, payable monthly to the guarantors on the basis of the amount issued under the guarantee. Dexia SA also paid an establishment fee of 50 basis points on the guaranteed amount of EUR 85 billion, less the EUR 225 million establishment fee already paid when the 2011 provisional guarantee was put in place.

#### **Asset disposals under the Orderly Resolution Plan<sup>1</sup>**

The Orderly Resolution Plan provides for the sale of those commercial franchises considered saleable within a short deadline and management in run-off for the other franchises, if necessary accompanied by residual credit activity, and carrying other assets to maturity. On the date of validation of the Orderly Resolution Plan by the European Commission, Dexia Group had already sold several of its main operating entities, reducing its balance sheet and its weighted assets considerably.

- Dexia Bank Belgium, now Belfius Bank and Insurance (20 October 2011), RBC-Dexia Investor Services (27 July 2012), Banque Internationale à Luxembourg (5 October 2012) and Denizbank (28 September 2012) were the first entities to be sold. The sales of Belfius Bank and Insurance, RBC-Dexia Investor Services, Banque Internationale à Luxembourg and Denizbank have been finalised.
- Dexia Habitat was also sold on 29 June 2012 to the Société Nationale Immobilière, a subsidiary of the Caisse des Dépôts.

Following on from 2012, Dexia SA continued to sell its commercial franchises:

- On 31 January 2013, Dexia Group finalised the sale of the Société de Financement Local ("**SFIL**"), a proprietary holding of the Caisse Française de Financement Local ("**CAFFIL**") (formerly Dexia Municipal Agency ("**DMA**")) to the French State as the majority shareholder, the Caisse des Dépôts and the Banque Postale for an amount of 1 euro. As SFIL was the leading franchise of the Dexia Group in terms of public sector finance, this sale was a decisive step towards the implementation of the Orderly Resolution Plan. It generated a total loss of EUR 1,849 million for the Dexia Group, booked in the years 2011 to 2013 (2011: EUR -1,068 million, 2012: EUR -638 million and 2013: EUR -142 million). Furthermore, an adjustment of EUR +129 million (after taxes) was booked directly in the equity in 2013, following the application of the IAS 8 accounting standard.
- On 28 March 2013, Dexia Group sold Dexia Kommunalkredit Bank Polska, the Polish subsidiary of Dexia Kommunalkredit Bank, to Getin Noble, resulting in a loss of EUR -9.5 million.
- On 2 April 2013, Dexia Group finalised the sale of Dexia Bail, a 100 per cent. subsidiary of Dexia Crédit Local, to a company controlled by Sofimar, resulting in a loss of EUR -20 million.
- On 12 July 2013, the Austrian banking subsidiary of DCL, Dexia Kommunalkredit Bank was dissolved without liquidation by way of cross-border merger by absorption by its 100 per cent. parent company, DCL. DCL acquired all of the asset and liability elements of Dexia Kommunalkredit Bank.
- On 6 September 2013, Dexia Group finalised the sale of its holding in Public Location Longue Durée ("**Public LLD**") to Arval Service Lease, resulting in a gain of EUR 50,000. 49 per cent. of Public LLD were held by Dexia Crédit Local. Public LLD is specialised in car leasing to public organisations and associations.
- On 30 September 2013, Dexia Group finalised the sale of Sofaxis to the Société Hospitalière d'Assurances Mutuelles, the MGEN Group and the Mutuelle Nationale Territoriale for a fixed price of EUR 136 million. This sale generated a gain of EUR 66 million in the 2013 consolidated accounts of Dexia SA.
- On 4 October 2013, Dexia Group sold its 50 per cent. holding in Domiserve to AXA Assistance Participations, resulting in a gain of EUR 2 million. Domiserve is an operator dedicated to the personal service sector, the activity of which is for the most part oriented towards public or institutional operators.

<sup>1</sup> The financial information contained in the section entitled "*Asset disposals under the Orderly Resolution Plan*" has been extracted from the press release dated 20 February 2014 entitled "Dexia Group Consolidated Results 2013" ([http://www.dexia.com/EN/journalist/press\\_releases/Pages/default.aspx](http://www.dexia.com/EN/journalist/press_releases/Pages/default.aspx)).

- On 22 November 2013, Dexia Group sold its 40 per cent. holding in Exterimmo to the Caisse des Dépôts, resulting in a gain of EUR 10 million.
- On 3 February 2014, Dexia Group sold all of its shares in Dexia Asset Management to New York Life Investments for a fixed price of EUR 380 million.
- On 19 February 2014, Dexia Group announced the sale of its 40 per cent. holding in Popular Banca Privada to the group Banco Popular Español, a 60 per cent. shareholder, for a fixed price of EUR 49.2 million.
- Dexia Group also sold to IBM its holding in ADTS, a company offering IT services to several banks, formerly members of the Dexia Group. This sale resulted in a gain of EUR 11 million.
- Dexia Group is currently involved in legal proceedings in relation to Dexia Israel Bank Ltd. The resolution of these litigations is a prerequisite to any negotiation to dispose of this subsidiary of DCL.

### **Remaining Dexia Group entities**

With the exception of Dexia Crediop and DCL, which will be subject to specific terms described below, management in run-off without new production is provided for the other residual Dexia Group entities and branches, namely:

- Dexia SA
- DCL Paris
- DCL Dublin
- DCL America, combining DCL New York, DRECM, DCL Mexico and Dexia US Securities
- Dexia Sabadell
- Dexia Kommunalbank Deutschland AG
- Dexia Holding Inc.
- Dexia Lettres de Gage Bank

At the beginning of 2014, the Dexia Group received the consent from the European Commission to extend until 28 June 2014 the authorisation for Dexia Crediop to grant new funding to its existing clients within a limit of EUR 200 million. This decision aims at preserving the value of Dexia Crediop's franchise and allows the continuation of the discussions being held with a view to its sale.

DCL may grant new credits within a limit of EUR 600 million during 2013 and 2014, with the exclusive aim of desensitising the sensitive structured loans retained in the portfolio, under certain terms approved by the European Commission.

### ***Dexia Group Consolidated Results 2013*<sup>1</sup>**

#### **Income statement**

In 2013, Dexia Group's net result group share amounted to EUR -1,083 million, of which EUR -962 million are attributable to continuing operations and EUR -119 million to discontinued operations. EUR -2 million are attributable to minority interests.

#### **Balance sheet, solvency and liquidity**

As at 31 December 2013, the Dexia Group consolidated balance sheet amounted to EUR 223.4 billion, down EUR 133.8 billion compared to 2012. This decline in the size of the balance sheet is principally explained by the finalisation of the sale of SFIL on 31 January 2013, the impact of which on the Dexia Group consolidated balance sheet amounted to EUR -84.1 billion. In 2013, the reduction of the outstanding assets amounted to EUR 20 billion and the "net" collateral paid to the Dexia Group's derivatives counterparties decreased by EUR 9 billion between year-end 2012 and year-end 2013, due to the rise of long-term interest rates. In 2013, weighted risks decreased by EUR 8 billion, resulting in a strengthened solvency. At year-end 2013, the capital adequacy ratio stood at 22.4 per cent. (compared to 20.9 per cent. at year-end 2012) and the Tier 1 ratio at 21.4 per cent. (compared to 19.9 per cent. at year-end 2012).

<sup>1</sup> The financial information contained in the section entitled "*Dexia Group Consolidated Results 2013*" has been extracted from the press release dated 20 February 2014 entitled "Dexia Group Consolidated Results 2013" ([http://www.dexia.com/EN/journalist/press\\_releases/Pages/default.aspx](http://www.dexia.com/EN/journalist/press_releases/Pages/default.aspx)).

### Potential Impacts the Orderly Resolution Plan of the Dexia Group may have on the Issuer

According to the Orderly Resolution Plan, DKD belongs to a group of companies for which orderly unwinding of assets without new lending business is provided for. The ultimate goal is therefore a decrease of its securities and credit portfolios, using the natural maturity profile.

In accordance with the Orderly Resolution Plan, DKD will, as has already been the case since October 2011, also not assign any new credit in the future, but will however operate additional new business as part of its liquidity and cover pool management. As a result, the focus of DKD's business activities shifts to the management of its securities and credit portfolios with the following focal points:

- the preservation of strict cost discipline, with regard to both personnel and material costs,
- the optimisation of its funding mix to further reduce refinancing costs, and
- the retention of operative excellence and the avoidance of relevant operational risks in an environment of increasing regulatory requirements.

In its press statement of 20 February 2014, Dexia SA noted that the consolidated annual financial statements of Dexia SA for the financial year ended 31 December 2013, which were established on the going concern principle (in accounting, "going concern" principle refers to a company's ability to continue functioning as a business entity), were based on certain assumptions that are subject to specific external factors beyond the influence of the Dexia Group, so that their realisation is uncertain.

As the Issuer is part of the Dexia Group, the statements of Dexia Group with regard to the "going concern" principle also indirectly apply to the Issuer.

### ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

As a German stock corporation, DKD has a two-tiered board system. The Board of Management is responsible for the management of DKD and the representation of DKD with respect to third parties. The Supervisory Board appoints the members of the Board of Management and supervises the activities of the Board of Management. Currently, the Board of Management consists of two members and the Supervisory Board consists of six members.

All tasks and responsibilities of the Board of Management and the Supervisory Board are described and documented in full within the organisational rules and regulations of the Issuer which comprise the Articles of Incorporation (*Satzung*; the "**Articles of Incorporation**"), the Rules of Procedure of the Board of Management (*Geschäftsordnung des Vorstands*) and the Rules of Procedure of the Supervisory Board (*Geschäftsordnung des Aufsichtsrats*).

#### Board of Management

The names of the current members of the Board of Management and their functions/internal responsibilities with respect to DKD are as follows:

Member	Internal responsibility
Friedrich Munsberg (Chairman)	Treasury, Public Finance, Project Finance, Internal Audit, Personnel, Compliance, Data Privacy, Management Board Office/Legal
Laurent Fritsch	Risk Management, Accounting, Administration/IT-Support, IT-Governance, Project Management, Backoffice

The business address of the members of the Board of Management is at the registered office of the Issuer (Charlottenstraße 82, 10969 Berlin, Germany).

The members of the Board of Management do not perform any principal activities outside the Issuer which are significant with respect to the Issuer.

There are no potential conflicts of interest between any duties to the Issuer of the members of the Board of Management and their private interests or other duties.

#### Supervisory Board

Of the six members of the Supervisory Board, four are elected by the shareholders of the Issuer at their Annual General Meeting and two are elected by the employees of the Issuer.

The names of the current members of the Supervisory Board and the principal activities performed by them outside DKD, where these are significant with respect to DKD, are as follows:

<b>Member</b>	<b>Principal Activities outside DKD</b>
Claude Piret (Chairman)	Member of the Management Board and member of the Executive Committee of Dexia SA, with responsibility for asset management  Director and Deputy Chief Executive Officer of Dexia Crédit Local S.A.  Director of Clinique Saint Pierre ASBL, Belgium  Chairman of the Board of Directors of Dexia Sabadell, Spain  Deputy Chairman of the Board of Directors of Dexia Crediop, Italy
Véronique Hugues (Deputy chairwoman)	Member of the Dexia Group committee with responsibility for financial management  Director of Dexia Sabadell, Spain
Benoît Debroise	Member of the Executive Committee of Dexia SA, with responsibility for funding and markets  Director of Dexia Holdings, Inc., United States  Director of Dexia FP Holdings Inc., United States  Director of Dexia Financial Products Services LLC, United States  Director of FSA Asset Management LLC, United States  Director of Capital Markets Services LLC, United States  Director of Capital Management Services LLC, United States  Director of FSA Portfolio Asset Limited, United Kingdom  Member of the Supervisory Committee of Dexia Crédit Local New York, United States
Dr. Dirk Hoffmann	Attorney at law / Consultant
Norbert Drews	None
Stefanie Gregorius	None

The business address of the members of the Supervisory Board is at the registered office of the Issuer (Charlottenstraße 82, 10969 Berlin, Germany).

There are no potential conflicts of interest between any duties to the Issuer of the members of the Supervisory Board and their private interests or other duties.

#### **FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES**

The English language translations of the binding German language versions of the Annual Financial Statements 2012 and the Annual Financial Statements 2013, each prepared pursuant to German Generally Accepted Accounting Principles ("**German GAAP**"), together with the respective auditor's report (*Bestätigungsvermerk*) issued in accordance with § 322 German Commercial Code (*Handelsgesetzbuch*) thereon and the respective management report are incorporated herein by reference to each of the Annual Report 2012 and the Annual Report 2013.

For the financial years 2012 and 2013 DKD has reported a net loss totaling EUR 19.6 million and EUR 1.6 million, respectively. For the financial year 2014 DKD also does not expect an annual net profit.

For further information in relation to the historical financial information of DKD please see the section entitled "*General Information – Documents Incorporated by Reference*".

#### **Legal and Arbitration Proceedings**

As at year-end 2013, DCL had been named a defendant in proceedings with 219 clients, of which 178 relate to loans booked with its former subsidiary DMA (subsequently renamed "**CAFFIL**"), 20 relate to loans booked with DCL and 21 booked with both. DCL did not make any representation or give any warranty as to the loan assets of CAFFIL



at the occasion of its divestment in January 2013, but DCL, as the legal representative of DMA up to the time of the sale, under certain conditions continues to be responsible for damages awarded to a borrower resulting from an infringement of its contractual or regulatory obligations in the origination or commercialisation of loans held by CAFFIL at the time of its divestment.

Since the beginning of 2014, DKD is engaged in legal proceedings with four public borrowers. In 2006 and 2007, DKD granted a number of certificates of indebtedness (*Schuldscheindarlehen*) with variable interest rates whose yields were linked to the exchange rate of the Swiss franc against the Euro. As at year-end 2013, these loans had a residual capital balance of approximately EUR 26 million.

## **RATINGS**

Public Sector Pfandbriefe to be issued by DKD have received, in the case of long-term obligations, an "A+" rating from Standard & Poor's Credit Market Services Europe Limited (Niederlassung Deutschland)<sup>1</sup> ("**Standard & Poor's**").

A long-term obligation rated "A" has a strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong. The ratings from AA to CCC may be modified by the addition of a plus (+) or (minus (-) sign to show relative standing within the major rating categories.

The aforementioned rating definitions have been sourced from the website of Standard & Poor's ([www.standardandpoors.com](http://www.standardandpoors.com)). As far as the Issuer is aware and is able to ascertain from the rating information published by Standard & Poor's, no facts have been omitted which would render the reproduced information inaccurate or misleading.

**Pfandbriefe to be issued under the Programme may be rated or unrated. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.**

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<sup>1</sup> Standard & Poor's is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**"). The European Securities and Markets Authority publishes on its website ([www.esma.europa.eu](http://www.esma.europa.eu)) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

## DESCRIPTION OF THE PFANDBRIEFMARKET

*The following is a description of some of the more fundamental principles governing the laws regarding Pfandbriefe and Pfandbrief Banks in summary form. It does not address all the laws' complexities and details. Accordingly, it is qualified in its entirety by reference to the applicable laws.*

### Introduction

Since 19 July 2005, the Pfandbrief operations of the Bank are subject to the Pfandbrief Act (*Pfandbriefgesetz*) dated 22 May 2005.

The Pfandbrief Act was published on 27 May 2005 and came into force on 19 July 2005. As from such date, the legislation accompanying the Pfandbrief Act, *i. e.*, the Act on the Reorganisation of the Law on Pfandbriefe (*Gesetz zur Neuordnung des Pfandbriefrechts*), rescinded all existing special legislation regarding the Pfandbrief business in Germany, including, *inter alia*, (i) the Mortgage Bank Act applicable to the existing mortgage banks being specialist institutions authorised to issue Mortgage Pfandbriefe (*Hypothekendarlehen*) covered by mortgage loans as well as Public Sector Pfandbriefe (*Öffentliche Pfandbriefe*) covered by obligations of public sector debtors (and, in either case, by certain other qualifying assets), (ii) the Act on Pfandbriefe and Related Bonds of Public-Law Credit Institutions (*Gesetz über die Pfandbriefe und verwandten Schuldverschreibungen öffentlich-rechtlicher Kreditanstalten*) in the version as published on 9 September 1998, as amended, applicable to various types of public sector banks, including in particular the *Landesbanken*, in respect of Mortgage Pfandbriefe and Public Sector Pfandbriefe issued by them, and (iii) finally, the Ship Bank Act (*Schiffsbankengesetz*), as last amended on 5 April 2004, governing the operations of ship mortgage banks issuing Ship Mortgage Pfandbriefe (*Schiffspfandbriefe*).

The Pfandbrief Act abolished the concept of specialist Pfandbrief institutions hitherto prevailing in respect of the existing mortgage banks and ship mortgage banks. It established a new and uniform regulatory regime for all German credit institutions. Since 19 July 2005, all German credit institutions are permitted, subject to authorisation and fulfilment of certain requirements of the Pfandbrief Act, to engage in the Pfandbrief business and to issue Mortgage Pfandbriefe, Public Sector Pfandbriefe as well as Ship Mortgage Pfandbriefe, and, since that date, existing mortgage banks and ship mortgage banks are authorised to engage in other types of banking transactions, eliminating the limitations in respect of the scope of their permitted business which existed in the past. The Pfandbrief Act thus created a level playing field for all German credit institutions, including the *Landesbanken*, operating as universal banks and engaged in the issuance of Pfandbriefe.

German credit institutions wishing to take up the Pfandbrief business must obtain special authorisation under the Banking Act (*Kreditwesengesetz*) from the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht – "BaFin"*) and, for that purpose, must meet some additional requirements as specified in the Pfandbrief Act.

Mortgage banks and ship mortgage banks, which were operating as such up to 19 July 2005 as well as public sector banks (including the *Landesbanken*) carrying on the Pfandbrief business up to such date, have all been grandfathered in respect of authorisation for the particular type of Pfandbrief business in which they were engaged at such time. They were required, though, to give a comprehensive notice to the BaFin by 18 October 2005, failing which the BaFin would have had the right to withdraw the authorisation. Mortgage banks and ship mortgage banks are since 19 July 2005 also authorised to engage in other banking transactions, including, *inter alia*, deposit taking, the extension of credits, the guarantee business, underwriting as well as others, up to then not permitted to be carried out by them, contrary to the *Landesbanken*, to which all types of banking transactions have always been open (subject to authorisation).

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

In 2009, the Pfandbrief Act was amended. Among other changes, the new Pfandbrief category of Airplane Mortgage Pfandbriefe was introduced, rules requiring a certain liquidity cushion of the Cover Pool from 1 November 2009 onwards were established, and the list of assets qualifying as Cover Pool for Public Sector Pfandbriefe was extended to include payment claims against certain qualifying public bodies in Switzerland, the United States of America, Canada or Japan.

The Pfandbrief Act was further amended in 2010 (in particular with respect to clarifications regarding the quality of Pfandbriefe in the case of insolvency of the Pfandbrief Bank) and in 2013.

In this description, banks authorised to issue Pfandbriefe will generally be referred to as "Pfandbrief Banks" which is

the term applied by the Pfandbrief Act.

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

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

Pfandbriefe may either be Mortgage Pfandbriefe, Public Sector Pfandbriefe, Ship Mortgage Pfandbriefe or Airplane Mortgage Pfandbriefe. The outstanding Pfandbriefe of any one of these types must be covered by a separate pool of specified qualifying assets: a pool for Mortgage Pfandbriefe only, a pool for Public Sector Pfandbriefe only, a pool covering all outstanding Ship Mortgage Pfandbriefe only and a pool covering all outstanding Airplane Mortgage Pfandbriefe only (each a "**Cover Pool**"). An independent cover pool monitor appointed by the BaFin has wide responsibilities in monitoring the compliance by the Pfandbrief Bank with the provisions of the Pfandbrief Act. In particular, the cover pool monitor shall ensure that the prescribed cover for the Pfandbriefe exists at all times and that the cover assets are recorded in the respective register. Prior to issue this will be certified by the cover pool monitor on the Pfandbrief certificate.

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

Such 2 per cent excess cover must consist of highly liquid assets. Qualifying assets for the excess cover are, *inter alia*, (i) debt securities of Germany, a special fund of Germany, a German state, the European Communities, another member state of the European Union, another contracting state on the agreement on the European Economic Area, the European Investment Bank, the International Bank for Reconstruction and Development, the Council of Europe Development Bank or the European Bank for Reconstruction and Development; (ii) debt securities of Switzerland, the United States of America, Canada or Japan, provided that the risk weighting such countries have received pursuant to a rating by an approved international rating agency is credit quality step 1 (according to table 1 of Article 114 (2) of Commission Regulation (EU) No. 575/2013); (iii) debt securities guaranteed by any of the foregoing institutions; and (iv) credit balances maintained with the European Central Bank, any central bank of a member state of the European Union or any other suitable credit institution having its registered office in one of the countries listed under (i) and (ii) above, provided that those have received a risk weighting in accordance with Article 119 (1) and Article 496 (2) of Commission Regulation (EU) No. 575/2013 which is comparable with credit quality step 1 (according to table 3 of Article 120 (1) or table 5 of Article 121 (1) of Commission Regulation (EU) No. 575/2013). In addition, to safeguard liquidity, a certain liquidity cushion must be established.

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

In case that any cover asset recorded in the register of cover assets for any Cover Pool is intended for partial cover only, the register of cover assets must clearly state the amount of the intended cover and its status in relation to the part of the asset which is not intended for the Cover Pool.

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

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

The Cover Pool for Public Sector Pfandbriefe may contain (provided that certain thresholds are not breached and certain other preconditions are met) payment claims under loans, bonds or similar transactions of a wide spectrum of states and other public bodies, including, but not limited to: (i) Germany as well as any German state, municipality or other qualifying public bodies in Germany; (ii) another member state of the European Union or another contracting

state of the agreement on the European Economic Area, certain qualifying public bodies of such states, and the respective central banks of such states; (iii) regional governments and local territorial authorities of the countries listed under (ii) above; (iv) Switzerland, the United States of America, Canada or Japan and the respective central banks of such countries, provided that the risk weighting such countries have received pursuant to the assessment by the competent administrative agency of the rating provided by an approved international rating agency is credit quality step 1 (according to table 1 of Article 114 (2) of Commission Regulation (EU) No. 575/2013); (v) regional governments and local territorial authorities of the countries listed under (iv) above if they were classified by the respective national authority equal to the state to which it belongs or provided that they have received a risk weighting comparable with credit quality step 1 (according to table 5 of Article 121 (1) of Commission Regulation (EU) No. 575/2013); (vi) certain qualifying public bodies of the countries listed under (iv); (vii) the European Central Bank, multilateral development banks such as the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Investment Bank, or the European Bank for Reconstruction and Development and international organisations; and (viii) any entity the obligations of which are guaranteed by an institution referred to or mentioned in (i) through (v) and (vii) above or by an export credit insurance agency.

The Cover Pool may furthermore include the following assets: (i) equalisation claims converted into bonds; (ii) money claims against suitable credit institutions within the meaning of § 4 (1) sent. 2 no. 3 of the Pfandbrief Act, up to a total sum of 10 per cent. of the aggregate principal amount of outstanding Public Sector Pfandbriefe; the share of money claims against one and the same credit institution may not exceed 2 per cent. of the aggregate principal amount of outstanding Public Pfandbriefe; and (iii) claims arising under derivative transactions as defined in § 4 (3) sent. 2 of the Pfandbrief Act, concluded with, *inter alia*, suitable credit institutions, financial services institutions, insurance companies, a central counterparty at a stock exchange, the German Federal Government or German Federal States insofar as it is ensured that the Pfandbrief Bank's claims pursuant to the standardised master contracts cannot be impaired in the event of the insolvency of the Pfandbrief Bank or any of its Cover Pools. The share of the Pfandbrief Bank's claims from derivative transactions included in the Cover Pool in terms of the total amount of the cover assets as well as the Pfandbrief Bank's liabilities from derivative transactions in terms of the total amount of Public Sector Pfandbriefe outstanding plus the liabilities resulting from derivative transactions must not exceed 12 per cent.

### **Insolvency Proceedings**

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

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

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

### **Jumbo Pfandbriefe**

Jumbo Pfandbriefe are governed by the same laws as Pfandbriefe and therefore cannot be classified as a type of assets apart from Pfandbriefe. However, in order to improve the liquidity of the Pfandbrief market certain Pfandbrief Banks have agreed upon certain minimum requirements for Jumbo Pfandbriefe (*Mindeststandards für Jumbo-Pfandbriefe*; the "**Minimum Requirements**") applicable to such Pfandbriefe which are issued as Jumbo Pfandbriefe.

These Minimum Requirements are not statutory provisions. Instead, they should be regarded as voluntary self-restrictions which limit the options issuers have when structuring Pfandbriefe. An incomplete overview of the Minimum Requirements is set out below:

- (i) The minimum principal amount of Jumbo Pfandbriefe is at least Euro 1,000,000,000.
- (ii) After having been issued, Jumbo Pfandbriefe may not be transcribed to the name of a holder.
- (iii) Jumbo Pfandbriefe must be issued in "straight bond format", i.e. they must be fixed rate notes (with interest payable annually in arrear and with a "bullet redemption").
- (iv) The issuer of Jumbo Pfandbriefe may repurchase its Jumbo Pfandbriefe for redemption purposes or for administration by the Trustee. After any repurchase of Jumbo Pfandbriefe by the relevant issuer the remaining outstanding aggregate principal amount of these Jumbo Pfandbriefe must not fall below Euro 1,000,000,000. The relevant issuer must publicly announce any repurchase, the planned volume thereof and the issue envisaged for repurchase at least three banking days in advance, and make sure that extensive transparency is given in the market. Following any repurchase of the Jumbo Pfandbriefe it has issued, the relevant issuer may not increase the Jumbo Pfandbriefe it has repurchased before a year's time has passed.
- (v) Within 30 calendar days of their issue date Jumbo Pfandbriefe have to be listed on a regulated market in a member state of the European Union or another contracting state to the Agreement on the European Economic Area.

As the Minimum Requirements are not statutory provisions, a Pfandbrief issuer is not legally required to maintain the Jumbo Pfandbrief status over the lifetime of a Pfandbrief. If, however, one of the Minimum Requirements is not met anymore, the Jumbo Pfandbrief will lose its Jumbo Pfandbrief status.

The Minimum Requirements are supplemented by rules of good conduct for issuers and syndicate banks (*Wohlverhaltensregeln für Emittenten und Syndikatsbanken*; the "**Rules of Good Conduct**"). The Rules of Good Conduct do not contain statutory provisions.

## SUBSCRIPTION AND SALE

The Issuer and the Dealers have entered into an amended and restated dealer agreement of even date herewith (the "**Dealer Agreement**") as a basis upon which they or any of them may from time to time agree to purchase Pfandbriefe.

### Selling Restrictions

#### *1. General*

Each Dealer has agreed that it will comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Pfandbriefe or possesses or distributes the Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Pfandbriefe under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer and any other Dealer shall have any responsibility therefor. Neither the Issuer nor any of the Dealers has represented that Pfandbriefe may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

#### *2. European Economic Area*

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Pfandbriefe which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation hereto to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Pfandbriefe to the public in that Relevant Member State:

- (i) if the Final Terms in relation to the Pfandbriefe specify that an offer of those Pfandbriefe may be made other than pursuant to Article 3 (2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Pfandbriefe which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer where such concept is relevant under the law of the Relevant Member State;
- (ii) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (iii) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (iv) at any time in any other circumstances falling within Article 3 (2) of the Prospectus Directive,

provided that no such offer of Pfandbriefe referred to in (ii) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Pfandbriefe to the public**" in relation to any Pfandbriefe 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 Pfandbriefe to be offered so as to enable an investor to decide to purchase or subscribe the Pfandbriefe, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

### 3. United States of America

Each Dealer has acknowledged that the Pfandbriefe have not been and will not be registered under the Securities Act, and may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Dealer has represented and agreed that it has not offered, sold or delivered, and will not offer, sell or deliver, any Pfandbrief constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, each Dealer has further represented and agreed that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to a Pfandbrief.

From and after the time that the Issuer notifies the Dealers in writing that it is no longer able to make the representation set forth in Article 4(1)(m)(i) of the Dealer Agreement, each Dealer (i) has acknowledged that the Pfandbriefe have not been and will not be registered under the Securities Act; (ii) has represented and agreed that it has not offered, sold or delivered any Pfandbriefe, and will not offer, sell or deliver any Pfandbriefe, (x) as part of its distribution at any time and (y) otherwise until 40 days after the later of the commencement of the offering and closing date, within the United States or to, or for the account or benefit of, U. S. persons and it has and will only offer, sell or deliver any Pfandbriefe in accordance with Rule 903 of Regulation S under the Securities Act; and accordingly, (iii) has further represented and agreed that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to any Pfandbrief, and it and they have complied and will comply with the offering restrictions requirements of Regulation S; and (iv) has also agreed that, at or prior to confirmation of any sale of Pfandbriefe, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Pfandbriefe from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The Securities covered hereby have not been registered under the U. S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U. S. persons by any person referred to in Rule 903(b)(2)(iii) (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S".

Each Dealer who has purchased Pfandbriefe of a Tranche hereunder (or in the case of a sale of a Tranche of Pfandbriefe issued to or through more than one Dealer, each of such Dealers as to the Pfandbriefe of such Tranche purchased by or through it or, in the case of a syndicated issue, the relevant Lead Manager) shall determine and notify to the Fiscal Agent the completion of the distribution of the Pfandbriefe of such Tranche. On the basis of such notification or notifications, the Fiscal Agent has agreed to notify such Dealer/Lead Manager of the end of the distribution compliance period with respect to such Tranche.

Terms used in this paragraph have the meanings given to them by Regulation S.

Each Dealer has represented and agreed that it has not entered and will not enter into any contractual arrangement with respect to the distribution or delivery of Pfandbriefe, except with its affiliates or with the prior written consent of the Issuer.

Pfandbriefe, other than Pfandbriefe with an initial maturity of one year or less, will be issued in accordance with the provisions of United States Treasury Regulation § 1.163-5(c)(2)(i)(D) (the "**D Rules**"), or in accordance with the provisions of United States Treasury Regulation § 1.163-5(c)(2)(i)(C) (the "**C Rules**") (or any successor rules in substantially the same form as the C Rules or D Rules, as applicable, for purposes of Section 4701 of the U.S. Internal Revenue Code), as indicated in the applicable Final Terms.

In respect of Pfandbriefe issued in accordance with the D Rules, each Dealer has represented and agreed that:

- (a) except to the extent permitted under the D Rules, (i) it has not offered or sold, and during the restricted period will not offer or sell, Pfandbriefe to a person who is within the United States or its possessions or to a United States person, and (ii) such Dealer has not delivered and will not deliver within the United States or its possessions definitive Pfandbriefe that are sold during the restricted period;
- (b) it has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Pfandbriefe are aware that such Pfandbriefe may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
- (c) if such Dealer is a United States person, it represents that it is acquiring the Pfandbriefe for purposes of resale in connection with their original issuance and if such Dealer retains Pfandbriefe for its own account, it will only do

so in accordance with the requirements of United States Treasury Regulation § 1.163-5(c)(2)(i)(D)(6);

- (d) it acknowledges that an offer or sale will be considered to be made in the United States or its possessions if it has an address within the United States or its possessions for the offeree or purchaser of a Pfandbrief subject to such offer or sale; and
- (e) with respect to each affiliate that acquires from such Dealer Pfandbriefe for the purposes of offering or selling such Pfandbriefe during the restricted period, such Dealer either (i) has repeated and confirmed the representations and agreements contained in sub-clauses (a), (b), (c) and (d) on such affiliate's behalf or (ii) has agreed that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in sub-clauses (a), (b), (c) and (d).

Terms used in the above paragraphs (a) to (e) have the meanings given to them by the U. S. Internal Revenue Code and regulations thereunder, including the D Rules.

Where the C Rules are indicated in the relevant Final Terms as being applicable to any Tranche of Pfandbriefe, Pfandbriefe must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer has represented and agreed that it has not offered, sold or delivered and will not offer, sell or deliver, directly or indirectly, Pfandbriefe within the United States or its possessions in connection with their original issuance. Further, each Dealer has represented and agreed in connection with the original issuance of Pfandbriefe, that it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either such Dealer or purchaser is within the United States or its possessions and will not otherwise involve its U. S. office in the offer or sale of Pfandbriefe. Each Dealer has further represented that it has not advertised or promoted, and will not advertise or promote, directly or indirectly, any Pfandbriefe from or within the United States or its possessions or to prospective purchasers in the United States or its possessions. Terms used in this paragraph have the meanings given to them by the U. S. Internal Revenue Code and regulations thereunder, including the C Rules.

#### *4. United Kingdom*

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

- (i) in relation to any Pfandbriefe which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Pfandbriefe other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Pfandbriefe would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the "FSMA") by the Issuer;
- (ii) 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 Pfandbriefe in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Pfandbriefe in, from or otherwise involving the United Kingdom.

#### *5. Japan*

Each Dealer has acknowledged that the Pfandbriefe have not been and will not be registered under the Financial Instrument and Exchange Law of Japan (Law No. 25 of 1948, as amended) (the "**Financial Instrument and Exchange Law**"). Each Dealer has represented and agreed that it has not offered or sold and will not offer or sell any Pfandbriefe, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the Financial Instrument and Exchange Law and any applicable laws, regulations and guidelines of Japan.



## TAXATION

*The following is a general discussion of certain German and Luxembourg tax consequences of the acquisition and ownership of Pfandbriefe and certain aspects of the EU Savings Tax Directive. This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Pfandbriefe. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws of Germany and the Grand Duchy of Luxembourg currently in force and as applied on the date of this Prospectus, which are subject to change, possibly with retroactive or retrospective effect.*

PROSPECTIVE PURCHASERS OF PFANDBRIEFE ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF PFANDBRIEFE, INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES, UNDER THE TAX LAWS OF GERMANY, THE GRAND DUCHY OF LUXEMBOURG AND EACH COUNTRY OF WHICH THEY ARE RESIDENTS.

### Germany

#### Income tax

#### Withholding Tax

Withholding tax, if applicable, is levied at a uniform rate of 25 per cent. (in all cases plus solidarity surcharge thereon of 5.5 per cent. and church tax at the below rates, if applicable). A Disbursing Agent is in principle obliged to withhold withholding tax and pay it to the German tax authorities for the account of the Holder.

Where Pfandbriefe are held in a custodial account that the Holder maintains with a Disbursing Agent, withholding tax will be levied on the gross interest payments. In the event that the disposition, redemption, repayment or assignment of a Pfandbrief is made or commissioned through a Disbursing Agent effecting such disposition, redemption, repayment or assignment commission, withholding tax is levied on the capital gains from the transaction. To the extent the Pfandbriefe have not been kept in a custodial account with the Disbursing Agent since the time of acquisition, upon the disposal, redemption, repayment or assignment, the withholding tax rate is applied to 30 per cent. of the disposal proceeds (substitute assessment base – *Ersatzbemessungsgrundlage*), unless the Holder provides evidence of the actual acquisition cost by submitting a certificate of the previous Disbursing Agent or a foreign credit or financial services institution within the European Economic Area. In computing the withholding tax base, the Disbursing Agent will take into account (the following each derived from private capital investments): Accrued Interest paid to it and, according to a specific procedure, settle losses from the disposal of capital investments (other than stocks (*Aktien*)) from other transactions entered into through or with the same Disbursing Agent. If, in this context, losses cannot be offset in full against positive income from capital investments, the Disbursing Agent will upon request issue a certificate stating the losses in order for them to be offset or carried forward in the assessment procedure. The request must reach the German Disbursing Agent by 15 December of the current year and is irrevocable.

In general, no withholding tax will be levied on income from the Pfandbriefe if the Holder is an individual (i) whose Pfandbrief does not form part of the property of a trade or business, of a self-employed activity or of a letting and leasing activity and (ii) who filed a valid withholding exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent, but only to the extent the income from the Pfandbrief together with other capital investment income does not exceed the maximum annual exemption amount (*Sparer-Pauschbetrag*, please see below for further details) available. Similarly, in case of Pfandbriefe, no withholding tax will be deducted if the Holder has submitted to the Disbursing Agent a certificate of non-assessment (*Nichtveranlagungs-Bescheinigung*) issued by the competent local tax office. A "**Disbursing Agent**" is a German branch of a German or non-German bank, financial services institution or a securities trading business or bank in Germany.

#### Pfandbriefe held by tax residents as private assets

Income from capital investments (*Einkünfte aus Kapitalvermögen*) derived by private Holders of Pfandbriefe is generally subject to the flat income tax (*Abgeltungsteuer*) regime. Payment of the flat income tax will generally settle any income tax liability of the Holder in respect of such capital investment income. Generally, the flat income tax will be collected by withholding (please see above). In the event that no withholding tax was applied, the relevant income from capital investment has to be included in the annual income tax return of the Holder. A tax assessment may also be applied for by the Holder in order to set off losses or to take advantage of the tax allowance (*Sparer-Pauschbetrag*) if this was not considered in the withholding process. Holders may also apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than the flat income tax (please see below for further details).

Negative income and losses from capital investments can only be set off against positive income from other capital investments (however, negative capital investment income from a sale of stock and certain similar instruments can only be set off against positive capital investment income from a sale of stock or certain similar instruments). Any losses not set off in a given year may be carried forward to future years and be deducted accordingly.

The total annual capital investment income of an individual will only be decreased by a tax allowance (*Sparer-Pauschbetrag*) of up to € 801 (€ 1,602 for married couples filing jointly) and not by any deduction of expenses actually incurred as these expenses are not deductible.

- Taxation of fixed and profit participating interest

Any interest on the Pfandbriefe which is paid or credited to or otherwise realised by Holders who are tax resident in Germany (*i.e.*, persons whose residence or habitual abode is located in Germany) is generally subject to a flat income tax at a rate of 25 per cent. of the gross amount of interest (plus solidarity surcharge in an amount of 5.5 per cent. of such tax, resulting in a total tax charge of 26.375 per cent., plus church tax, if applicable).

If the Pfandbriefe are held in a custodial account which the Holder maintains with a Disbursing Agent (as defined above) the flat income tax will be levied by way of withholding from the gross interest payment to be made by the Disbursing Agent, subject to the exceptions laid out above.

If no Disbursing Agent is involved in the payment process, or if no withholding tax is withheld for other reasons, the Holder will have to include its income on the Pfandbrief in its tax return (as above).

Payment of the flat income tax will generally satisfy any income tax liability (including solidarity surcharge and, if applicable, church tax) of the Holder in respect of such investment income. Holders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25 per cent. Pursuant to the current view of the German tax authorities (which has recently been rejected by a fiscal court in a non-binding ruling appealed to the German Federal Fiscal Court (*Bundesfinanzhof*)), in this case as well income-related expenses cannot be deducted from the investment income, except for the aforementioned tax allowance (*Sparer-Pauschbetrag*) deduction.

- Taxation of capital gains

Any capital gains realised by individual tax residents of Germany from the disposition, redemption, repayment or assignment of the Pfandbriefe acquired after 31 December 2008 are generally subject to a flat income tax on capital investment income at a rate of 25 per cent. (plus solidarity surcharge in an amount of 5.5 per cent. of such tax, resulting in a total tax charge of 26.375 per cent., plus church tax, if applicable), irrespective of any holding period. The taxable capital gain is the difference between the proceeds from the disposition, redemption, repayment or assignment on the one hand and the direct acquisition and disposal costs (including lump sum fees payable to financial institutions for the administration of a depository account or of assets provided they are documented as covering transaction cost and not current management fees and subject to further requirements) on the other hand. Where Pfandbriefe are issued in a currency other than Euro, the disposal proceeds and the acquisition costs each will be converted into Euro using the exchange rates as at the relevant dates, so that currency gains and losses will also be taken into account in determining taxable income.

If the Pfandbriefe are held in a custodial account which the Holder maintains with a Disbursing Agent the flat income tax will generally be levied by way of withholding from the difference between the redemption amount (or the proceeds from the disposition) and the issue price (or the purchase price) of the Pfandbriefe. As described above, if the Pfandbriefe have been transferred into the custodial account of the Disbursing Agent only after their acquisition, and no evidence on the acquisition data has been provided to the new Disbursing Agent by the Disbursing Agent which previously kept the Pfandbriefe in its custodial account, withholding tax will be levied on 30 per cent. of the proceeds from the disposition or redemption of the Pfandbriefe.

If no Disbursing Agent is involved in the payment process, or if no withholding tax is withheld for other reasons, the Holder will have to include capital gains from the disposition or redemption of the Pfandbriefe in its tax return (as described above).

Payment of the flat income tax will generally satisfy any income tax liability (including solidarity surcharge and, if applicable, church tax) of the Holder in respect of such investment income. Holders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25 per cent. Pursuant to the current view of the German tax authorities (which has recently been rejected by a fiscal court in a non-binding ruling appealed to the *Bundesfinanzhof*), in this case as well income-related expenses cannot be deducted from the investment income, except for the aforementioned annual lump sum deduction.

### Pfandbriefe held by tax residents as business assets

Any income from Pfandbriefe held as business assets by German tax resident individuals or corporations (*i.e.* persons whose residence, habitual abode, legal domicile or place of effective management is located in Germany), including via a partnership, as the case may be, is generally subject to the following taxes (the above-described flat income tax regime is not applicable):

If the Holder is an individual, income is subject to income tax at the personal progressive tax rate of up to 45 per cent. (plus solidarity surcharge of 5.5 per cent. of such tax, plus church tax, if applicable). In addition, if the Pfandbrief is allocated to the business property of a trade or business, income is subject to trade tax (trade tax rates generally ranging from 12 to 17 per cent. depending on the local multiplier of the municipality concerned). Trade tax may in principle be credited against income tax by way of a lump sum procedure.

If the Holder is a corporation, income is subject to corporate income tax at a rate of 15 per cent. (plus solidarity surcharge of 5.5 per cent. thereon) and trade tax at the above rates.

If the Pfandbrief is held by a partnership, income derived therefrom is allocated directly to the partners for income tax purposes or corporate income tax purposes, respectively. Depending on whether the partners are individuals or corporations, the income is subject to income tax or corporate income tax at the level of the respective partner. At the level of the partnership, income is further subject to trade tax at the above rates. In case of a private individual as partner, trade tax may in principle be credited pro rated against such partner's income tax by way of a lump sum procedure.

In each case, income from the Pfandbrief has to be included in the annual tax returns of the Holder (and in case of a partnership Holder, also of the partners).

If the Pfandbriefe are held in a custodial account which the Holder maintains with a Disbursing Agent a withholding tax at a rate of 25 per cent. of the gross amount of interest or of the capital gain (plus a solidarity surcharge of 5.5 per cent. of such tax, plus, in the case of individuals, church tax, if applicable) will be withheld from interest payments on the Pfandbriefe and generally also from capital gains from the disposition, redemption, repayment or assignment of the Pfandbriefe (please see above for more details). As described above, if the Pfandbriefe have been transferred into the custodial account of the Disbursing Agent only after their acquisition, and no evidence on the acquisition data has been provided to the new Disbursing Agent by the Disbursing Agent which previously kept the Pfandbriefe in its custodial account, withholding tax will be levied on 30 per cent. of the proceeds from the disposition or redemption of the Pfandbriefe.

Withholding tax does not settle the tax liability of the Holder, as in the case of the flat income tax, but will be credited as advance payment against the annual personal income or corporate income tax liability and the solidarity surcharge, plus church tax, if applicable of the Holder.

### Church Tax

Church tax is levied at a rate of either eight or nine per cent. depending on the residence of the Holder. The church tax is generally calculated on the basis of the income tax.

If the Holder is member of a congregation that levies church tax, the Holder may instruct the Disbursing Agent of such membership. In this case the Disbursing Agent will, subject to the exemptions described above, withhold church tax from the income from the Pfandbrief. If church tax is not levied by way of withholding, the income from the Pfandbrief needs to be included in the income tax return of the Holder and church tax will be levied by way of assessment.

In this respect, it should be noted that income from capital investments that is paid after 31 December 2014 to a Holder who is a member of a congregation that levies church tax, will be subject to withholding in respect of church tax, subject to the exemptions described above if the Pfandbrief is held in custody with a Disbursing Agent. The Disbursing Agent will be informed by the Federal Tax Agency (*Bundeszentralamt für Steuern*) about the membership of the Holder in a congregation that levies church tax. Such Holder may, however, elect to file a blocking notice (*Sperrvermerk*) with the Federal Tax Agency. In this case, the Disbursing Agent holding the Pfandbrief in custody for the Holder is not informed about the Holder's membership in a congregation. However, the income from the Pfandbrief needs to be included in the income tax return of the Holder and church tax will be levied by way of assessment.

### Pfandbriefe held by non-residents

Income from the Pfandbriefe is not subject to German unlimited income taxation in the case of non-residents (*i.e.* persons having neither their residence nor their habitual abode nor legal domicile nor place of effective management in Germany). Such income may, however, be subject to German limited income taxation if it constitutes German source income. This is the case if the Pfandbriefe form part of the business property of a permanent establishment

maintained in Germany, if the Pfandbriefe form part of income from the letting and leasing of certain German-situs property or of income from certain capital investments directly or indirectly secured by German-situs real estate or ship registered in a German shipping register. The German right to tax this income may be excluded by applicable tax treaty provisions.

Non-residents of Germany are in general not subject to German withholding tax on capital investment income. However, if the capital investment income is subject to German taxation as set forth in the preceding paragraph and the Pfandbriefe are held in a custodial account with a Disbursing Agent, withholding tax will be levied as explained above at "*Pfandbriefe held by tax residents as business assets*" or at "*Pfandbriefe held by tax residents as private assets*", respectively.

#### *Inheritance and Gift Tax*

No inheritance or gift taxes with respect to any Pfandbrief will generally arise under the laws of Germany, if, in the case of inheritance tax, neither the decedent nor the beneficiary, or, in the case of gift tax, neither the donor nor the donee, is a tax resident of Germany at the relevant point in time, and, in either or any other case, if such Pfandbrief is not attributable to a German trade or business for which a permanent establishment is maintained, or for which a permanent representative has been appointed, in Germany. Exceptions from this rule apply to certain expatriate German citizens who previously maintained a tax residence in Germany or who are employed by the German State (in the latter case, including their spouses and children, if German citizens).

#### *Other Taxes*

No stamp, issue, registration or similar taxes or duties will be payable in Germany in connection with the issuance, delivery or execution of the Pfandbriefe. Currently, net assets tax (*Vermögensteuer*) is not levied in Germany.

## **Luxembourg**

#### *Non-Residents*

Under the existing laws of Luxembourg and except as provided for by the Luxembourg laws of 21 June 2005 implementing the EU Savings Tax Directive (as defined above), there is no withholding tax on the payment of interest on, or reimbursement of principal of, the Pfandbriefe made to non-residents of Luxembourg.

Under the Luxembourg laws of 21 June 2005 implementing the EU Savings Tax Directive and as a result of ratification by Luxembourg of certain related Accords with the relevant dependent and associated territories (as defined under the EU Savings Tax Directive), 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 holder of a Pfandbrief or certain residual entities as defined by the law, who, as a result of an identification procedure implemented by the paying agent, are identified as residents or are deemed to be residents of an EU Member State other than Luxembourg or certain of those dependent or associated territories referred to under "*EU Savings Tax Directive*" below, will be subject to a withholding tax unless the relevant beneficiary 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 country of residence or deemed residence or, in the case of an individual holder of a Pfandbrief, has provided a tax exemption certificate from his/her fiscal authority in the format required by law to the relevant paying agent. Where withholding tax is applied, it will be levied at a rate of 35 per cent since 1 July 2011. However, Luxembourg has announced that it will cease to withhold from 1 January 2015 and instead it will apply the exchange of information procedure.

#### *Residents*

According to the law of 23 December 2005, as amended, interest on Pfandbriefe paid by a Luxembourg paying agent or paying agents established in the EU, the EEA or in a State which has concluded with Luxembourg an international agreement related to the EU Savings Tax Directive to an individual holder of Pfandbriefe who is a resident of Luxembourg or to a residual entity established in another EU Member State or in the dependent and associated territories securing the payment for such individual will be subject to a withholding tax of 10 per cent. In case of payment through a paying agent established in the EU, the EEA or in a State which has concluded with Luxembourg an international agreement related to the EU Savings Tax Directive, the Luxembourg resident individual holder of Pfandbriefe must under a specific procedure remit 10 per cent tax to the Luxembourg Treasury.

If the individual Holder holds the Pfandbriefe in the course of the management of his or her private wealth, the aforementioned 10 per cent withholding tax will operate a full discharge of income tax due on such payments. Interest on Pfandbriefe paid by a Luxembourg paying agent to a resident holder of a Pfandbrief who is not an individual is not subject to withholding tax.

When used in the preceding paragraphs "**interest**", "**paying agent**" and "**residual entity**" have the meaning given thereto in the Luxembourg laws of 21 June 2005 (or the relevant Accords). "**Interest**" will include accrued or capitalised interest at the sale, repayment or redemption of the Pfandbriefe. "Paying agent" is defined broadly for this purpose and in the context of the Pfandbriefe means any economic operator established in Luxembourg who pays interest on the Pfandbriefe to or ascribes the payment of such interest to or for the immediate benefit of the beneficial owner, whether the operator is, or acts on behalf of, the Issuer or is instructed by the beneficial owner to collect such payment of interest.

Payments of interest or similar income under the Pfandbriefe to Clearstream Banking AG, Clearstream Banking, société anonyme and Euroclear Bank SA/NV and payments by or on behalf of Clearstream Banking, société anonyme to financial intermediaries will not give rise to a withholding tax under Luxembourg law.

### **EU Savings Tax Directive**

Under the EU Council Directive 2003/48/EC dated 3 June 2003 on the taxation of savings income in the form of interest payments (the "**EU Savings Tax Directive**"), which is applicable as from 1 July 2005, each EU Member State must require paying agents (within the meaning of such directive) established within its territory to provide to the competent authority of this state details of the payment of interest made to any individual resident in another EU Member State as the beneficial owner of the interest. The competent authority of the EU Member State of the paying agent (within the meaning of the EU Savings Tax Directive) is then required to communicate this information to the competent authority of the EU Member State of which the beneficial owner of the interest is a resident.

For a transitional period, Austria, Belgium and Luxembourg have or had opted (instead of exchanging information) to withhold tax from interest payments within the meaning of the EU Savings Tax Directive at a rate of 20 per cent. from 1 July 2008 and of 35 per cent. from 1 July 2011. The ending of such transitional period is dependent upon the conclusion of agreements relating to information exchange with certain other countries. As from 1 January 2010, Belgium applies the information procedure described above. Regarding Austria, EU withholding taxation does not have to be imposed if a particular information process is fulfilled.

In conformity with the prerequisites for the application of the EU Savings Tax Directive, a number of non-EU countries and territories, including Switzerland, have agreed to apply measures equivalent to those contained in such directive (a withholding system in the case of Switzerland).

In Germany, provisions for implementing the EU Savings Tax Directive were enacted by legislative regulations of the Federal Government. These provisions apply as from 1 July 2005.

On 24 March 2014 the Council of the European Union adopted amendments to the European Union Savings Directive. The amendments enlarge the scope of the European Union Savings Directive, now covering also new types of savings income and products that generate interest or equivalent income. The amended European Union Savings Directive includes life insurance contracts, as well as a broader coverage of investment funds. In order to avoid tax circumvention schemes a "look-through" approach shall be applied and tax authorities will be required to take steps to identify the ultimate beneficiary of interest payments. Further, the option to implement a withholding tax system instead of the automatic exchange of information will cease to be available once five non Member States (Switzerland, Monaco, Lichtenstein, San Marino and Andorra) have signed agreements on the exchange of data, which are expected to be signed by the end of 2014. In this case all Member States will be required to provide information to the respective other Member States. The information to be exchanged includes data about the ultimate beneficiary, the amounts paid or secured and other data to ensure that the savings income is properly taxed. Member States have until 1 January 2016 to implement the amended European Union Savings Directive. The new rules will have to be applied as of 1 January 2017.

## GENERAL INFORMATION

### **Listing and Admission to Trading Information**

Application has been made to list Pfandbriefe issued under the Programme on the regulated market (*regulierter Markt*) of the Berlin Stock Exchange and on the official list of the Luxembourg Stock Exchange and to admit Pfandbriefe to trading on the Regulated Market of the Luxembourg Stock Exchange. Each of the regulated market of the Berlin Stock Exchange and the Regulated Market of the Luxembourg Stock Exchange is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EEC. However, Pfandbriefe may be issued pursuant to the Programme which will not be listed on any stock exchange as the Issuer and the relevant Dealer(s) may agree.

### **Interests of Natural and Legal Persons Involved in the Issue/Offer**

Certain Dealers and their affiliates may be customers of, borrowers from or creditors of the Issuer and its affiliates. In addition, certain Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business.

### **Use of Proceeds and Reasons for the Offer**

The net proceeds from each issue will be used for general financing purposes of the Issuer.

### **Authorisation**

The establishment of the Programme and the issuance of Pfandbriefe thereunder was authorised by the Board of Management of the Issuer on 19 February 2008. The update of the Programme and the issuance of Pfandbriefe under the updated Programme was authorised by the Board of Management of the Issuer on 5 February 2014.

### **Trend Information**

There has been no material adverse change in the prospects of the Issuer since 31 December 2013, the date of its last published audited financial statements.

### **Significant Change in the Financial Position of the Issuer**

There has occurred no significant change in the financial position of DKD since 31 December 2013, the end of the last period for which financial statements have been published by DKD.

### **Documents Incorporated by Reference**

The specified pages of the following documents which have been previously published or are simultaneously published with this Prospectus and which have been filed with the CSSF are incorporated by reference into and form part of this Prospectus:

- the audited non-consolidated annual financial statements of the Issuer and the auditor's report in relation to the fiscal year ended 31 December 2012, set out in the Annual Report 2012 and consisting of
  - annual balance sheet as of December 31, 2012 (*Jahresbilanz zum 31. Dezember 2012*) (pages 40 - 41 of the Annual Report 2012)
  - income statement for the period from January 1 to December 31, 2012 (*Gewinn- und Verlustrechnung für die Zeit vom 1. Januar bis 31. Dezember 2012*) (pages 44 - 45 of the Annual Report 2012)
  - statement of shareholder's equity (*Eigenkapitalveränderungsrechnung*) (page 46 of the Annual Report 2012)
  - cash flow statement (*Kapitalflussrechnung*) (page 47 of the Annual Report 2012)
  - notes to the annual financial statements (*Anhang*) (pages 49 - 59 of the Annual Report 2012)

- auditor's report (*Bestätigungsvermerk des Abschlussprüfers*) (page 62 of the Annual Report 2012)
- the audited non-consolidated annual financial statements of the Issuer and the auditor's report in relation to the fiscal year ended 31 December 2013, set out in the Annual Report 2013 and consisting of
- annual balance sheet as of December 31, 2013 (*Jahresbilanz zum 31. Dezember 2013*) (pages 40 - 41 of the Annual Report 2013)
  - income statement for the period from January 1 to December 31, 2013 (*Gewinn- und Verlustrechnung für die Zeit vom 1. Januar bis 31. Dezember 2013*) (pages 44 - 45 of the Annual Report 2013)
  - statement of shareholder's equity (*Eigenkapitalveränderungsrechnung*) (page 46 of the Annual Report 2013)
  - cash flow statement (*Kapitalflussrechnung*) (page 47 of the Annual Report 2013)
  - notes to the annual financial statements (*Anhang*) (pages 49 - 59 of the Annual Report 2013)
  - auditor's report (*Bestätigungsvermerk des Abschlussprüfers*) (page 62 of the Annual Report 2013)

Each of the Annual Report 2012, the Annual Report 2013 of the Issuer and the information contained therein and incorporated by reference into this Prospectus is an English language translation of its binding German language counterpart.

The information incorporated by reference that is not included in the cross-reference list above, is not required by the relevant schedules of the Commission Regulation and shall not be deemed to be included in this Prospectus by reference.

#### **Documents on Display**

This Prospectus and the documents incorporated herein by reference are available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

This Prospectus and copies of any Final Terms prepared in connection with the issue and listing on a regulated market or public offer of Pfandbriefe will be available on the website of the Issuer ([www.dexia.de](http://www.dexia.de)).

In addition, the following documents are available from the specified offices (as set out in the back of this Prospectus) of the Issuer and the Fiscal Agent on any working day during usual business hours:

- all documents set out in "General Information – Documents Incorporated by Reference" above,
- the Articles of Incorporation of Dexia Kommunalbank Deutschland AG,
- this Prospectus and any supplement hereto,
- all reports, letters, and other documents, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Prospectus,
- any Final Terms which have been prepared for an issue of Pfandbriefe to be listed on the regulated market of a stock exchange located within the European Economic Area or offered in the European Economic Area in circumstances in which a prospectus is required to be published under the Prospectus Directive (in the case of Pfandbriefe listed on the official list of the Luxembourg Stock Exchange and traded on the Regulated Market "*Bourse de Luxembourg*" of the Luxembourg Stock Exchange, the Final Terms will also be displayed on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and may be obtained from the office of the Luxembourg Paying Agent (as set out in the back of this Prospectus)).

## NAMES AND ADDRESSES

### Issuer and Fiscal Agent

Dexia Kommunalbank Deutschland AG  
Charlottenstrasse 82  
10969 Berlin  
Germany

### Arranger

Deutsche Bank Aktiengesellschaft  
Grosse Gallusstrasse 10–14  
60272 Frankfurt am Main  
Germany

### Dealers

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Kaiserstrasse 16 (Kaiserplatz)  
60311 Frankfurt am Main  
Germany

Deutsche Bank Aktiengesellschaft  
Grosse Gallusstrasse 10–14  
60272 Frankfurt am Main  
Germany

DZ BANK AG Deutsche Zentral-  
Genossenschaftsbank,  
Frankfurt am Main  
Platz der Republik  
60265 Frankfurt am Main  
Germany

HSBC Bank plc  
8 Canada Square  
London E14 5HQ  
United Kingdom

UniCredit Bank AG  
Arabellastrasse 12  
81925 München  
Germany

### Legal Advisors to the Issuer

Ashurst LLP  
OpfernTurm  
Bockenheimer Landstrasse 2-4  
60306 Frankfurt am Main  
Germany

### Legal Advisors to the Dealers

Hengeler Mueller  
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