



Borsa Italiana

AVVISO n.11200	03 Giugno 2016	SeDeX - LEV. CERTIFICATES
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Mittente del comunicato : BORSA ITALIANA

Societa' oggetto : Vontobel Financial Products GmbH
dell'Avviso

Oggetto : Inizio negoziazione 'Leverage Certificates -
Classe B' 'Vontobel Financial Products
GmbH' emessi nell'ambito di un
Programma

Testo del comunicato

Si veda allegato.

Disposizioni della Borsa

Strumenti finanziari:	LEVA FISSA
Emittente:	Vontobel Financial Products GmbH
Garante:	Bank Vontobel Europe AG
Oggetto:	INIZIO NEGOZIAZIONI IN BORSA
Data di inizio negoziazioni:	06/06/2016
Mercato di quotazione:	Borsa - Comparto SEDEX 'Leverage Certificates - Classe B'
Orari e modalità di negoziazione:	Negoziazione continua e l'orario stabilito dall'art. IA.7.3.1 delle Istruzioni
Operatore incaricato ad assolvere l'impegno di quotazione:	Bank Vontobel Europe AG Member ID Specialist: IT9115
Limiti di variazione prezzi:	stabiliti nella "Guida ai Parametri" di negoziazione dei mercati regolamentati organizzati e gestiti da Borsa Italiana - Mercato Sedex punto 2) par A)

CARATTERISTICHE SALIENTI DEI TITOLI OGGETTO DI QUOTAZIONE

LEVA FISSA

Tipo di liquidazione:	monetaria
Modalità di esercizio:	europeo

DISPOSIZIONI DELLA BORSA ITALIANA

Dal giorno 06/06/2016, gli strumenti finanziari 'LEVA FISSA' (vedasi scheda riepilogativa delle caratteristiche dei securitised derivatives) verranno inseriti nel Listino Ufficiale, sezione Securitised Derivatives.

Allegati:

- Scheda riepilogativa delle caratteristiche dei securitised derivatives;
- Estratto del prospetto di quotazione dei Securitised Derivatives

Num. Serie	Codice Isin	Trading Code	Instrument Id	Descrizione	Sottostante	Tipologia	Data Scadenza	Parità	Quantità	Lotto Negoziazione	EMS	Commissione %	Livello Iniziale
1	DE000VN9AAM3	FMIB7L	796701	VONVMIB7LSLFISSAE181220	VT 7XL MIB	Bull	18/12/20	0,01	7500000	1	250	3,4	1000
2	DE000VN9AAR2	FMIB7S	796702	VONVMIB7SSLFISSAE181220	VT 7XS MIB	Bear	18/12/20	0,01	7500000	1	250	3,8	1000



Final Terms

dated 3 June 2016

for

Constant Leverage Certificates
based on the
7X Long Index linked to FTSE MIB Index

ISIN DE000VN9AAM3

(the "**Securities**")

Vontobel Financial Products GmbH

Frankfurt am Main, Germany
(the "**Issuer**")

Bank Vontobel Europe AG

Munich, Germany
(in its capacity as offeror, the "**Offeror**" and in its capacity as guarantor, the "**Guarantor**", as the case may be)

These Final Terms were prepared for the purposes of Article 5 (4) of Directive 2003/71/EC and should be read in conjunction with the Base Prospectus (including any supplements) dated 3 May 2016. It should be noted that only the Base Prospectus dated 3 May 2016 and these Final Terms together contain all the information about the Issuer, the Guarantor and the Securities offered. The Base Prospectus, any supplements and these Final Terms are published on the Issuer's website (<https://certificates.vontobel.com>) whereby the Final Terms are accessible by entry of the respective ISIN on the page <https://certificates.vontobel.com> and the Base Prospectus and any supplements thereto are directly accessible on the page <https://certificates.vontobel.com> under the section <<Legal Documents>>. **A summary for the specific issue is appended to these Final Terms.**

The Base Prospectus dated 3 May 2016 is valid up to 6 May 2017 according to § 9 section 1 WpPG. In case a base prospectus has been prepared and approved which follows the respective current base prospectus, such base prospectus will be published on the website <https://certificates.vontobel.com> under the section <<Legal Documents>> on the last day of the validity of the respective current base prospectus at the latest.

These Final Terms were prepared for the purposes of the Public Offer of the Securities. The issue of the Securities is a new issue.

Securities identification numbers: ISIN: DE000VN9AAM3 / WKN: VN9AAM / Valor: 32496984

Total offer volume: 7,500,000 Securities

I. TERMS AND CONDITIONS

The information below completes the Terms and Conditions as laid out in chapter VIII. of the Base Prospectus dated 3 May 2016 by completing the specific features of the Securities to be offered under these Final Terms as follows:

Section 2 Definitions

Cash Amount	The Cash Amount shall correspond to the Reference Price of the Underlying on the Valuation Date multiplied by the Ratio.
Currency Conversion	<p>All cash amounts payable under the Securities shall – if Settlement Currency and the Currency of the Underlying differ – be converted into the Settlement Currency at the Conversion Rate.</p> <p>"Conversion Rate" means the relevant conversion rate between the Currency of the Underlying and the Settlement Currency, as determined by the European Central Bank for the Valuation Date and as retrievable on the website of the European Central Bank, www.ecb.int, under the heading "Euro Foreign Exchange Reference Rates".</p> <p>If such a Conversion Rate is not determined or published, the Calculation Agent shall specify the Conversion Rate applicable at the time of determination of the Reference Price on the Valuation Date in its reasonable discretion.</p>
Exercise Agent	shall mean BNP PARIBAS Securities Services, Milan Branch Via Ansperto no. 5 20123 Milan Italy Telephone: +39 02 7247 4156 – 4292 Fax: +39 02 7247 4130 – 4260
Exercise Cut-off Date	shall mean each first (1 st) Business Day before an Exercise Date.
Exercise Dates	shall mean any last Business Day in each month, commencing as of 30 June 2016.
Exercise Time	is 11:00 a.m. (Milan time)
Renouncement Cut-Off Time	Notice 11:00 a.m. (Milan time) on the first (1 st) Business Day following the Expiry Date (<i>Data di Scadenza</i>), if applicable in accordance with Borsa Italiana S.p.A. regulations applicable from time to time (please also see the form of renouncement notice set out at Annex of the Terms and Conditions).
Expiry Date (Data di Scadenza)	shall mean the Valuation Date.
Issue Date	6 June 2016
Issue Size	(up to) 7,500,000 Securities.
Maturity Date	shall be at the latest the fifth (5 th) Business Day following the Valuation Date.
Minimum Exercise Number	one (1) Security.
Ratio	The Ratio shall be expressed as a number and shall amount to 0,01.

Reference Price	The Reference Price shall be the relevant price of the Underlying for the purpose of determining and calculating the Cash Amount and shall correspond to the index closing value determined and published by the Index Calculation Agent on the Valuation Date.
Registry Type	Italian Uncertificated Securities
Settlement Currency	of the Securities shall mean EUR.
Termination Cut-Off Date	shall be thirty (30) days prior to the relevant Termination Date.
Termination Date	shall mean any last Business Day in each month, commencing as of 30 June 2016.
Underlying	7X Long Index linked to FTSE MIB Index ISIN: CH0326601785 Currency of the Underlying: EUR
Valuation Date	shall mean <ul style="list-style-type: none"> (a) in case of valid exercise by the Security Holder pursuant to section 4 of the Terms and Conditions the relevant Exercise Date; (b) in case of Ordinary Termination by the Issuer pursuant to section 5 of the Terms and Conditions the Ordinary Termination Date; (c) in other cases 18 December 2020 which is the date on which the Security Right is deemed to be exercised automatically pursuant to section 3 of the Terms and Conditions. <p>If the Valuation Date is not an Index Day, the Valuation Date shall be postponed to the next following Index Day.</p>

III. INDEX DESCRIPTION

Index name:	7X Long Index linked to FTSE MIB Index (the " Factor Index ")
Reference Instrument:	FTSE MIB Index
Index Calculation Agent:	Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland
Information Page:	https://indices.vontobel.com and Reuters page <.CH0326601785> (the latter containing index levels only)

The composition and calculation of the *Factor Index* specified above is described in the following. The *Index Calculation Agent* will make an index guide available on the *Information Page* for each *Factor Index*, containing this description together with the stipulations in the Final Terms. The index guide constitutes the basis for calculating and publishing the *Factor Index*.

A) Index description

The *Factor Index* reflects price movements of the *Reference Instrument* with a leverage factor of 7. An increase in the price of the *Reference Instrument* since the most recent calculation of an *Index Closing Value* results in a positive change of the *Factor Index* as compared to the previous price of the *Factor Index* and vice versa. The *Factor Index* therefore reflects a "long" strategy.

The *Factor Index* consists of a leverage component and a financing component.

Leverage component

The leverage component tracks an investment of the *Reference Instrument* (or its constituents and in accordance with its rules and regulations), whereby movements in the price of the *Reference Instrument* are multiplied by the *Leverage* (Factor). This leverage effect occurs with either positive or negative movements in the price of the *Reference Instrument*, having a disproportionate effect on the value of the *Factor Index*.

For example (leaving aside the financing component):

1. An increase in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in an increase in the *Factor Index* by 7 x 2%;
2. A decrease in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in a decrease in the *Factor Index* by 7 x 2%.

Financing component

The financing component tracks the capital costs that would be incurred to finance the corresponding investment in the *Reference Instrument* (or constituents thereof). Additionally, a fee charged by the *Index Calculation Agent* for the calculation and administration of the *Factor Index* is added (*Index Fee*).

The financing component therefore reduces the value of the *Factor Index*.

B) Index definitions

The definitions below shall apply for the purposes of this index description.

"Adjustment Date" means the first Index Calculation Day of each calendar month.

"Extraordinary Adjustment Event" means any of the following events as they relate to the *Reference Instrument*:

- (a) Change, adjustment or other measure affecting the relevant concept and the calculation of the *Reference Instrument*, resulting, in the reasonable discretion of the *Index Calculation Agent*, in the relevant concept or the relevant calculation of the *Reference Instrument* no longer being comparable to those applicable on the *Index Start Date*. These factors are no longer comparable if, in particular, a change, adjustment or other measure results in a material change in the *Reference Instrument* despite the fact that the prices of the individual securities included in the *Reference Instrument* and their weightings remain the same.
- (b) Cancellation of the *Reference Instrument* and/or replacement by a different index concept; or
- (c) any other event which in the reasonable discretion of the *Index Calculation Agent* would have a comparable or similar impact on the calculation of the *Factor Index* in the event that no adjustment were to be made.

"Valuation Price" of the *Reference Instrument* for an *Index Calculation Day* means – subject to an *Extraordinary Adjustment* of the index calculation pursuant to section D) – the closing price of the *Reference Instrument*, as determined and published for that day by the *Reference Exchange*. If an *Index Calculation Day* falls on a day which is not a *Trading Day*, the *Valuation Price* of the immediately preceding *Index Calculation Day* shall continue to apply. If no *Valuation Price* for the *Reference Instrument* is determined or published on a *Trading Day*, the *Index*

Calculation Agent shall determine the *Valuation Price* of the *Reference Instrument* for that day on the basis of the most recent prices set for the *Reference Instrument* in its due discretion.

"Dividend Method" is either *individual* or *smoothed* (as described below).

In case of the **"individual"** *Dividend Method* the distributions of the constituents of the *Reference Instrument* are included in the index calculation individually. The relevant **"Dividend"** for the index calculation pursuant to section C) corresponds to the dividend of the company, exclusive of which a constituent of the *Reference Instrument* is traded on the *Ex-Dividend Date* on the *Trading Facility* which is – according to the *Reference Exchange's* concept – relevant for the calculation of the *Reference Instrument* (**"Trading Facility"**). For this purpose, the *Index Calculation Agent* takes into account the weighting of the respective constituent in the *Reference Instrument*. **"Ex-Dividend Date"** means the *Index Calculation Day* on which the respective constituent of the *Reference Instrument* trades "ex-dividend" on the *Trading Facility* for the first time.

In case of a **"flattened"** *Dividend Method* the distributions of the constituents of the *Reference Instrument* are not included in the index calculation individually. Instead, they are considered by means of a flattened amount which is taken into account for the index calculation on a continuous basis. Accordingly, the relevant **"Dividend"** for the index calculation pursuant to section C) in the case of this *Dividend Method* corresponds to an amount which is determined by the *Index Calculation Agent* in its reasonable discretion in order to reflect the expected distributions of the constituents of the *Reference Instrument* in the calculation of the index on each *Index Calculation Day* on a pro rata basis. For this purpose, the *Index Calculation Agent* particularly considers its dividend expectations (in relation to the constituents of the *Reference Instrument*) for up to the next three months following the respective *Index Calculation Day*. The *Index Calculation Agent* may adjust such *Dividend* in its reasonable discretion on any *Index Calculation Day*, particularly in the event of alternating dividend expectations.

On the *Index Start Date* the *individual Dividend Method* is applicable. The *Index Calculation Agent* is entitled to change the *Dividend Method* on each *Adjustment Date*. The revised *Dividend Method* shall take effect immediately as from the relevant *Adjustment Date*. A change in the *Dividend Method* shall be published by the *Index Calculation Agent* in accordance with section E).

"Dividend Tax Factor" is 0,85 on the *Index Start Date*. The *Index Calculation Agent* may change the *Dividend Tax Factor* in its reasonable discretion on any *Index Calculation Day* with prospective effect, if the tax laws applicable to the *Index Calculation Agent* change, resulting in a change in the amount of the – after tax – *Dividend* virtually accruing to it.

"Financing Spread" represents (in the form of a premium over the relevant *Interest Rate*) the financing costs which may be incurred if the long strategy tracked by the *Factor Index* is financed with debt.

The *Financing Spread* on the *Index Start Date* corresponds to the *Initial Financing Spread*. The *Index Calculation Agent* then adjusts the **"Current Financing Spread"** in its due discretion on each *Adjustment Date* to reflect current market conditions and publishes it in accordance with section E) of this index description. The adjusted *Financing Spread* shall apply immediately as from the relevant *Adjustment Date*.

"Initial Financing Spread" is 0.4% per annum.

"Trading Day" means every day on which the *Reference Instrument* is calculated by the *Reference Exchange*.

"Leverage" is 7. It describes the impact that a change in the price of the *Reference Instrument* has on the relevant *Factor Index*.

"Index Calculation Agent" means Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland.

"Index Calculation Day" means every day from Monday to Friday.

"Index Fee" means 1.0% per annum. The *Index Fee* is charged each calendar day, beginning as of the *Index Start Date*. It is calculated on the basis of a 360-day year and the most recently calculated *Index Closing Value*.

"Index Closing Value" is calculated for each *Index Calculation Day* by the *Index Calculation Agent* in accordance with section C) 1) of this index description on the basis of the *Valuation Price* of the *Reference Instrument* for this *Index Calculation Day* and published in accordance with section E) of this index description.

"Index Start Date" means 06.06.2016.

"Index Start Value" is 1'000 index points and represents the Index Closing Value on Index Calculation Day T=0 for the purposes of calculating the index in accordance with C).

"Index Currency" means EUR.

"Information Page" means <https://indices.vontobel.com>.

"Reference Instrument Price" corresponds at any time during the calculation period of the *Reference Instrument* to the price of the *Reference Instrument*, as calculated by the *Reference Exchange* and determined by the *Index Calculation Agent*.

"Reference Exchange" means Borsa Italiana.

"Reference Instrument" means FTSE MIB Index.

Index type:	Price index
Currency:	EUR
ISIN:	IT0003465736
Bloomberg symbol:	FTSEMIB Index

"Barrier" is 12%. It indicates the maximum permitted negative change in price of the *Reference Instrument* compared to its most recent *Valuation Price* before an *Intraday Index Adjustment* takes place.

"Derivatives Exchange" means Borsa Italiana.

"Interest Rate" means EONIA.

EONIA (Euro Over Night Index Average) is a weighted average interest rate for overnight interbank money calculated act/360 by the European Central Bank since 4 January 1999 on the basis of effective turnover.

If the *Interest Rate* is not set or published on an *Index Calculation Day*, the *Interest Rate* applied on the immediately preceding *Index Calculation Day* is used to calculate the index in accordance with section C).

If the *Interest Rate* has neither been set nor published for ten consecutive *Index Calculation Days*, the *Index Calculation Agent* has the right and obligation to stipulate in its reasonable discretion an alternative relevant *Interest Rate* which has functions comparable to the previous *Interest Rate*.

C) Index calculation

The *Factor Index* shall be calculated for the first time on the *Index Start Date*. The initial level of the index on the *Index Start Date* corresponds to the *Index Start Value*. The respective current index level is calculated by the *Index Calculation Agent* on a continuous basis during the trading period of the

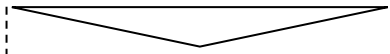
Reference Instrument on the Reference Exchange on each Index Calculation Day, rounded to two decimal places and published in accordance with section E).

One index point corresponds to one unit of the Index Currency.

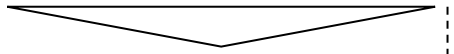
C) 1) Index formula

The Factor Index is calculated for each time t during an Index Calculation Day T in accordance with the following formula:

$$IDX_t = IDX_{T-1} \times \left\{ 1 + L \times \left(\frac{R_t + \text{divf} \times \text{div}}{R_{T-1}} - 1 \right) - \left[(L-1) \times (IR_{T-1} + FS_T) + IG \right] \times \frac{d}{360} \right\}$$



leverage component



financing component

where:

- T = current Index Calculation Day
- IDX_t = Index Value at time t on Index Calculation Day T
- IDX_{T-1} = Index Closing Value on Index Calculation Day T-1 which immediately precedes the current Index Calculation Day T
- L = Leverage (Factor): 7
- R_t = Reference Instrument Price at time t
- R_{T-1} = Valuation Price on Index Calculation Day T-1
- divf = Dividend Tax Factor
- div = Dividend on Index Calculation Day T. If the individual Dividend Method is used this amount is 0, except on the Ex-Dividend Date.
- IR_{T-1} = Interest Rate on Index Calculation Day T-1
- FS_T = Financing Spread on Index Calculation Day T
- IG = Index Fee
- d = Number of calendar days between Index Calculation Days T-1 and T

C) 2) Intraday Index Adjustment

If at time s on Index Calculation Day T the Reference Instrument Price (plus any Dividend multiplied by the Dividend Tax Factor: $R_s + \text{divf} \times \text{div}$) falls below the most recent Valuation Price of the Reference Instrument by more than 12% (Barrier), an "Intraday Index Adjustment" takes place, simulating a new day:

$$\begin{aligned} s &= T, \text{ i.e. } IDX_{T-1} (\text{new}) = IDX_s \\ R_{T-1} (\text{new}) &= R_{T-1} (\text{old}) \times 0,88 - \text{divf} \times \text{div} \\ d &= 0 \end{aligned}$$

A new Valuation Price valid after time s ($R_{T-1} (\text{new})$) is calculated by multiplying the previous Valuation Price ($R_{T-1} (\text{old})$) by 0,88.

In addition, the net dividend shall be deducted (in case of the individual Dividend Method only if the Index Calculation Day T is an Ex-Dividend Date). Dividend and Dividend Tax Factor shall not be considered in the index calculation in section C) 1) on such simulated Index Calculation Day.

The financing component remains unchanged. No additional interest or costs are incurred for the newly simulated day.

D) Extraordinary adjustment of the index calculation

In the event of an *Extraordinary Adjustment Event* occurring in relation to the *Reference Instrument*, the *Index Calculation Agent* will adjust the index calculation on the *Reference Date* (as defined below). The *Index Calculation Agent* will – to the extent possible – endeavor to calculate the *leverage component* as if no *Extraordinary Adjustment Event* had occurred.

The *Index Calculation Agent* will generally adjust the index calculation by correcting in its due discretion the relevant *Valuation Price* for the *Reference Instrument* on *Index Calculation Day T-1* on the *Reference Date*, in order to factor into the index calculation the adjustments made on the *Derivatives Exchange* for futures and options linked to the *Reference Instrument* traded there.

The *Index Calculation Agent* may adjust the index calculation in some other manner if it deems such adjustment necessary in its due discretion in order to reflect differences between this Index and the futures and options traded on the *Derivatives Exchange*. Such adjustments may in particular relate to the stipulation of a different *Reference Exchange*, *Derivatives Exchange* or *Reference Instrument Price*.

The list of *Extraordinary Adjustment Events* listed in section B) is not exhaustive. The deciding factor is whether the *Derivatives Exchange* deems an adjustments of the contract size, an underlying or the involvement of relevant *Reference Exchange* determining the price of the *Reference Instrument* to be necessary. If neither futures nor options linked to the *Reference Instrument* are traded on the *Derivatives Exchange*, the adjustment shall be made in a manner in which the *Derivatives Exchange* would do so if corresponding futures or options were traded there. In cases of doubt about the application of the modification rules of the *Derivatives Exchange*, the *Index Calculation Agent* shall decide such questions in its reasonable discretion. The rules and regulations of the *Derivatives Exchange* shall apply in addition to the provisions set out above.

If the *Reference Instrument* (Index) is cancelled or replaced by a different index concept, or if the license agreement between the *Reference Exchange* and the *Index Calculation Agent* cannot be renewed, the *Index Calculation Agent* determines – where appropriate by applying an adjusted *Reference Instrument Price* for the *Reference Instrument* at time t (R_t) – whether and which different index concept will be used in the future as a basis for calculating the *Factor Index*.

If the *Reference Instrument* is no longer calculated and determined and/or published by the *Reference Exchange* but by another person, company or institution that the *Index Calculation Agent* in its reasonable discretion considers to be suitable ("**Substitute Reference Exchange**"), then the *Factor Index* shall be calculated where applicable on the basis of the *Reference Instrument* calculated and published by the *Substitute Reference Exchange*. All references to the *Reference Exchange* contained in this index description shall be deemed to refer analogously to the *Substitute Reference Exchange*.

If in the reasonable discretion of the *Index Calculation Agent* it is not possible, for whatever reason, to stipulate a different relevant index concept, the leverage component shall remain unchanged and the index level shall be determined solely on the basis of the remaining components of the index formula.

"**Reference Date**" within the meaning of this index description is the first *Index Calculation Day*, on which the relevant futures or options are traded on the *Derivatives Exchange* after taking the adjustment into account, or would be so traded if corresponding futures or options were traded on the *Derivatives Exchange*.

Adjustments to the *Factor Index* and all further measures set forth in this section will be announced by the *Index Calculation Agent* in accordance with section E).

E) Notices

All notices pertaining to the *Factor Index* will be published on the *Information Page*. Such notices shall be deemed to have been given on the date on which they are first published.

Notices are made for informational purposes only and do not represent a precondition for legal effectiveness.

IV. FURTHER INFORMATION ON THE OFFER OF THE SECURITIES

1. Stock exchange listing and trading arrangements

Stock exchange listing:	Application is made for the Securities to be admitted to trading on the regulated market Mercato Telematico of securitised derivatives (" SeDeX ") of Borsa Italiana S.p.A. (" Borsa "). Expected first trading date: 6 June 2016
Last stock exchange trading day:	If terminated by the Issuer ordinarily: two trading days prior to the Ordinary Termination Date. If not terminated ordinarily: 14 December 2020
Minimum trading size:	One (1) Security

2. Terms of the offer

The Issue Price and the Value Date (*Data di Valuta*) of the Securities and the start of the Public Offer are specified below.

Issue Price:	EUR 10.00
Value Date (<i>Data di Valuta</i>):	6 June 2016
Public Offer:	in Italy starting from: 3 June 2016

The Public Offer will end with the term of the Securities, expected on 18 December 2020 or – in case a base prospectus which follows the respective current base prospectus has not been published on the website <https://certificates.vontobel.com> under the heading <<Legal Documents>> on the last day of validity of the respective current base prospectus at the latest – on the last day of the validity of the respective current base prospectus according to § 9 section 1 WpPG at the latest. The end of term of the Securities is specified in chapter II. (Terms and Conditions) of the Final Terms.

3. Publication of post-issuance information

With the exception of the notices specified in the Terms and Conditions, the Issuer does not intend to publish any post-issuance information.

APPENDIX - ISSUE-SPECIFIC 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 contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

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

Section A – Introduction and warnings		
A.1	Warnings	<p>The summary should be read as introduction to the base prospectus dated 3 May 2016 as supplemented (the "Base Prospectus" or the "Prospectus").</p> <p>Any decision to invest in the securities (the "Securities") should be based on a consideration of the Base Prospectus as a whole, including the information incorporated by reference together with any supplements and the Final Terms published in connection with the issue of the Securities.</p> <p>In the event that claims relating to the information contained in the Base Prospectus are brought before a court, the plaintiff investor might, under the national legislation of the states of the European Economic Area, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.</p> <p>Vontobel Financial Products GmbH (the "Issuer") and Bank Vontobel Europe AG (in its capacity as the offeror, the "Offeror" and in its capacity as the guarantor, the "Guarantor") have assumed responsibility for this summary including any translation thereof.</p> <p>Those persons which have assumed responsibility for this summary including any translation thereof, or persons responsible for the issue, can be held liable, but only in the event that the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus, or if, when read together with the other parts of the Base Prospectus, it does not provide all the key information required.</p>
	Consent to the use of the prospectus	The Issuer and the Offeror consent to the use of the Base Prospectus for a public offer of the Securities in Italy (" Public Offer ") (general consent).
	Offer period for resale by financial intermediaries	The subsequent resale and final placing of the Securities by financial intermediaries may take place during the period of validity of the Base Prospectus in accordance with § 9 of the German Securities Prospectus Act (<i>Wertpapierprospektgesetz</i> , " WpPG ") or – in case (i) a base prospectus which follows the Base Prospectus has been published on the website https://certificates.vontobel.com under the heading <<Legal Documents>> on the last day of validity of the Base Prospectus at the latest and (ii) the Securities are identified in the subsequent base prospectus – during the period of validity of such subsequent base prospectus according to § 9 section 1 WpPG.
	Conditions to which consent is linked	This consent by the Issuer and the Offeror is subject to the conditions (i) that the Base Prospectus and the Final Terms are provided to potential investors only together with all supplements published up to the time of such provision and (ii) that, in making use of the Base Prospectus and the

		Final Terms, the financial intermediary ensures that it complies with all applicable laws and legal requirements in force in the respective jurisdictions.
	Statement that information about the terms and conditions of the offer made by a financial intermediary must be made available by the latter	If the offer for the purchase of the Securities is made by a financial intermediary, the information about the terms and conditions of the offer must be made available by the respective financial intermediary at the time the offer is made.

Section B – Issuer and Guarantor		
B.1	Legal and commercial name	The legal and commercial name of the Issuer is Vontobel Financial Products GmbH.
B.2	Domicile, legal form, applicable legislation and country of incorporation	The domicile of the Issuer is Frankfurt am Main, Germany. Its business address is: Bockenheimer Landstraße 24, 60323 Frankfurt am Main, Germany. The Issuer is a limited liability company (<i>Gesellschaft mit beschränkter Haftung</i>) incorporated under German law in Germany and is registered with the commercial register of the local court (<i>Amtsgericht</i>) at Frankfurt am Main under the register number HRB 58515.
B.4b	Known trends	The Issuer's business is in particular affected by the economic development, especially in Germany and Europe, as well as by the overall conditions in the financial markets. In January 2016, the further significant decline in oil prices and the associated increased volatility in the financial markets marked substantial events. In addition, the political environment also affects the Issuer's business. Furthermore, possible regulatory changes may have a negative impact on the demand or the cost side for the Issuer.
B.5	Group structure and position of the Issuer within the group	The Issuer has no subsidiaries. All of the shares in the Issuer are held by Vontobel Holding AG, the parent company of the Vontobel group (the " Vontobel Group "). Established in 1924 and headquartered in Zurich, the Vontobel Group is a Swiss private bank with international activities. The Vontobel Group provides global financial services on the basis of the Swiss private banking tradition. The business units on which the Vontobel Group is focused are (i) Private Banking, (ii) Asset Management and (iii) Investment Banking.
B.9	Profit forecasts or estimates	– not applicable – A profit forecast or estimate has not been included.
B.10	Qualifications in the audit report on the historical financial information	– not applicable – There are no such qualifications.
B.12	Selected key historical financial information	The following selected financial information has been taken from the Issuer's audited financial statements for the financial years 2014 and 2015 which were prepared in accordance with the provisions of the German Commercial Code (<i>Handelsgesetzbuch</i>) and the German Law on Limited Liability Companies (<i>Gesetz betreffend die Gesellschaften mit beschränkter Haftung</i>).

		<p>tung).</p> <table> <tr> <th colspan="3">Balance sheet</th></tr> <tr> <th></th><th>31 December 2014 (EUR)</th><th>31 December 2015 (EUR)</th></tr> <tr> <td>Receivables from affiliated companies (current assets)</td><td>913,190,853</td><td>1,169,626,706</td></tr> <tr> <td>Bank balances (current assets)</td><td>3,168,102</td><td>2,149,684</td></tr> <tr> <td>Issuance liabilities (liabilities)</td><td>913,135,664</td><td>1,169,260,532</td></tr> <tr> <td>Capital reserves (equity)</td><td>2,000,000</td><td>2,000,000</td></tr> <tr> <td>Total assets</td><td>928,867,286</td><td>1,187,984,764</td></tr> </table> <table> <tr> <th colspan="3">Income statement</th></tr> <tr> <th></th><th>1 December to 31 December 2014 (EUR)</th><th>1 December to 31 December 2015 (EUR)</th></tr> <tr> <td>Realised and unrealised gains and losses from the issuance business</td><td>50,876,667</td><td>100,767,626</td></tr> <tr> <td>Realised and unrealised gains and losses from hedging transactions</td><td>-48,464,627</td><td>-97,519,664</td></tr> <tr> <td>Other operating expenses</td><td>1,738,983</td><td>2,489,626</td></tr> <tr> <td>Net income for the year</td><td>131,815</td><td>148,186</td></tr> </table> <p>Statement about the Issuer's prospects</p> <p>Statement about changes in the Issuer's position</p> <p>There have been no material adverse changes in the prospects of the Issuer since the reporting date for the audited annual financial statements (31 December 2015).</p> <p>– not applicable –</p> <p>No significant changes have occurred in the financial or trading position of the Issuer since the reporting date for the audited annual financial statements (31 December 2015).</p>	Balance sheet				31 December 2014 (EUR)	31 December 2015 (EUR)	Receivables from affiliated companies (current assets)	913,190,853	1,169,626,706	Bank balances (current assets)	3,168,102	2,149,684	Issuance liabilities (liabilities)	913,135,664	1,169,260,532	Capital reserves (equity)	2,000,000	2,000,000	Total assets	928,867,286	1,187,984,764	Income statement				1 December to 31 December 2014 (EUR)	1 December to 31 December 2015 (EUR)	Realised and unrealised gains and losses from the issuance business	50,876,667	100,767,626	Realised and unrealised gains and losses from hedging transactions	-48,464,627	-97,519,664	Other operating expenses	1,738,983	2,489,626	Net income for the year	131,815	148,186
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B.13	Recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.	<p>– not applicable –</p> <p>There have been no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.</p>																																							
B.14	Group structure and position of the Issuer within the group/ Dependence of the Issuer on other entities within the group	<p>With respect to the organizational structure, see B.5 above.</p> <p>– not applicable –</p> <p>The Issuer has no subsidiaries. Since all of the shares in the Issuer are held by Vontobel Holding AG, the parent company of the Vontobel Group, the Issuer is, however, dependent on Vontobel Holding AG.</p>																																							
B.15	Description of the Issuer's principal activities	The Issuer's principal activity is to issue securities and derivative securities and to carry out financial transactions and auxiliary transactions of financial transactions. Activities that require authorisation under the German Banking Act (<i>Gesetz über das Kreditwesen</i>) are excluded. The Issuer may furthermore conduct all business activities that are directly or indirectly relat-																																							

		ed to its main purpose and also carry out all activities that could directly or indirectly serve to promote the main purpose of the Issuer. The Issuer may also set up, acquire, or dispose of subsidiaries or branches in Germany and other countries, or acquire interests in other companies.
B.16	Interests in and control of the Issuer	<p>All of the shares in the Issuer are held by Vontobel Holding AG, the parent company of the Vontobel Group. There is no control agreement and no profit and loss transfer agreement between the Issuer and Vontobel Holding AG.</p> <p>With respect to interests in and control of Vontobel Holding AG, see B.19 with B.16.</p>
B.18	Description of the nature and scope of the guarantee	<p>The due payment by the Issuer of all amounts payable in accordance with the terms and conditions (the "Terms and Conditions") of the Securities issued under the Base Prospectus is guaranteed by the Guarantor.</p> <p>Upon first written demand by the respective security holders (the "Security Holders") and their written confirmation that an amount under the Securities has not been paid when due by the Issuer, the Guarantor shall pay to them all amounts required to fulfil the intent and purpose of the guarantee.</p> <p>The intent and purpose of the guarantee is to ensure that the Security Holders, under any and all circumstances, whether factual or legal, and irrespective of the validity or the enforceability of the obligations of the Issuer, or any other reasons on the basis of which the Issuer may fail to fulfil its payment obligations, receive on the respective due date any and all sums payable on the maturity date in accordance with the Terms and Conditions of the Securities.</p> <p>This guarantee constitutes a contract in favour of the Security Holders as third party beneficiaries pursuant to § 328 (1) of the German Civil Code (<i>Bürgerliches Gesetzbuch</i>). The form and content of this guarantee as well as all rights and duties arising therefrom are governed exclusively by the laws of Germany. Non-exclusive court of venue for all litigation with the Guarantor and arising from the legal relations established under the guarantee is Munich.</p>
B.19 with B.1	Legal and commercial name of the Guarantor	The Guarantor's legal and commercial name is Bank Vontobel Europe AG.
B.19 with B.2	Domicile, legal form, applicable legislation and country of incorporation of the Guarantor	<p>The Guarantor is domiciled in Munich, Germany. Its business address is: Alter Hof 5, 80331 Munich, Germany.</p> <p>The Guarantor is a stock corporation (<i>Aktiengesellschaft</i>) incorporated under German law in Germany. The Guarantor is registered with the commercial register of the local court (<i>Amtsgericht</i>) at Munich under the register number HRB 133419.</p>
B.19 with B.4b	Known trends relating to the Guarantor	The prospects of the Guarantor are influenced in context of the continuing business operations of the companies of the Vontobel-Group, by changes in the environment (markets, regulations), as well as by market, liquidity, credit and operational risks usually assumed with the launch of new activities (new products and services, new markets) and by reputational risks. In addition to the various market factors such as interest rates, credit spreads, exchange rates, prices of shares, prices of commodities and corresponding volatilities, the current monetary and interest rate policies of central banks are particularly to be mentioned as key influence factors.
B.19	Group structure	All shares of the Guarantor are held by the group parent company, Vonto-

with B.5	and position of the Guarantor within the group	bel Holding AG, Zurich, Switzerland. The Guarantor has no subsidiaries.																																										
B.19 with B.9	Profit forecasts or estimates of the Guarantor	– not applicable – A profit forecast or estimate has not been included.																																										
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B.19 with B.12	Selected key historical financial information of the Guarantor	<p>The following selected financial information has been taken from the Guarantor's audited financial statements for the financial years 2014 and 2015 which were prepared in accordance with the applicable statutory provisions (German Stock Corporation Act (<i>Aktiengesetz</i>); German Commercial Code (<i>Handelsgesetzbuch</i>); and the German Accounting Directive for Banks and Financial Services Providers (<i>Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute</i>, "RechKredV") as specified by the German Accounting Law Modernisation Act (<i>Bilanzrechtsmodernisierungsgesetz</i>). In accordance with § 1 RechKredV in conjunction with § 2 RechKredV, the Bank prepared its balance sheet using Form 1 and its income statement using Form 3 (vertical presentation format) with supplementary items.</p> <p>Balance sheet</p> <table> <tr> <th></th><th>31 December 2015 (audited) (in EUR thousand)</th><th>31 December 2014 (audited) (in EUR thousand)</th></tr> <tr> <td>Total assets</td><td>259,514</td><td>208,435</td></tr> <tr> <td>Equity</td><td>75,996</td><td>53,462</td></tr> <tr> <td>Liabilities to banks</td><td>705</td><td>0</td></tr> <tr> <td>Liabilities to clients</td><td>171,394</td><td>145,892</td></tr> <tr> <td>Cash reserve</td><td>89,403</td><td>14,644</td></tr> <tr> <td>Receivables from banks</td><td>61,378</td><td>121,911</td></tr> <tr> <td>Receivables from customers</td><td>43,318</td><td>47,581</td></tr> <tr> <td>Debt instruments</td><td>55,568</td><td>20,473</td></tr> <tr> <td>Intangible fixed assets</td><td>76</td><td>78</td></tr> <tr> <td>Tangible fixed assets</td><td>559</td><td>674</td></tr> <tr> <td>Prepaid expenses</td><td>276</td><td>7</td></tr> <tr> <td>Other assets</td><td>8,936</td><td>3,067</td></tr> </table> <p>Income Statement</p> <table> <tr> <th></th><th>Financial year 2015 (audited)</th><th>Financial year 2014 (audited)</th></tr> </table>		31 December 2015 (audited) (in EUR thousand)	31 December 2014 (audited) (in EUR thousand)	Total assets	259,514	208,435	Equity	75,996	53,462	Liabilities to banks	705	0	Liabilities to clients	171,394	145,892	Cash reserve	89,403	14,644	Receivables from banks	61,378	121,911	Receivables from customers	43,318	47,581	Debt instruments	55,568	20,473	Intangible fixed assets	76	78	Tangible fixed assets	559	674	Prepaid expenses	276	7	Other assets	8,936	3,067		Financial year 2015 (audited)	Financial year 2014 (audited)
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B.19 with B.13	Recent events particular to the Guarantor which are to a material extent relevant to the evaluation of the Guarantor's solvency	<p>– not applicable –</p> <p>There have been no recent events particular to the Guarantor which are to a material extent relevant to the evaluation of the Guarantor's solvency.</p>																		
B.19 with B.14	<p>Group structure and position of the Guarantor within the group/</p> <p>Dependence of the Guarantor on other entities within the group</p>	<p>With respect to the organizational structure, see B.19 with B.5 above.</p> <p>The Guarantor has no subsidiaries. Since all of the shares in the Guarantor are held by Vontobel Holding AG, the parent company of the Vontobel Group, the Guarantor is, however, dependent on Vontobel Holding AG.</p>																		
B.19 with B.15	Description of the principal activities of the Guarantor	Pursuant to Article 2 of the Articles of Association dated 2 May 2010, the corporate purpose of the Company comprises the performance of banking activities covering deposit business, credit business, principal broking services, safe custody business, guarantee business, checking account business and underwriting business. Furthermore, the corporate purpose of the Company comprises the performance of financial services which comprises investment broking, investment advice, placement business, contract broking, financial portfolio management, proprietary trading, non-EEA deposit broking, rendering of banking related supporting services and all other business which may directly or indirectly support the object of the Company.																		
B.19 with B.16	Interests in and control of the Guarantor	All of the shares in the Guarantor are held by Vontobel Holding AG, the parent company of the Vontobel Group.																		

Section C – Securities		
C.1	Type and class of the securities, securities identification numbers	<p>The Securities (Constant Leverage Certificates) are securitized derivatives classified as 'leverage certificates' class B according to the current rules and instructions of Borsa Italiana S.p.A. Such Securities replicate, with a fixed leverage effect, the performance of the underlying.</p> <p>Form of the Securities</p> <p>The Securities are issued in uncertificated and dematerialised book-entry form pursuant to the Italian Financial Services Act (<i>Testo Unico della Finanza</i>) and cleared through and registered at Monte Titoli S.p.A., Piazza degli Affari, 6, 20123 Milan, Italy (the "Central Securities Depository") in accordance with the Legislative Decree No 213, dated 24 June 1998, the Legislative Decree No. 58, dated 24 February 1998 and the Rules governing central depositories, settlement services, guarantee systems and related management companies, issued by Bank of Italy and the Italian securities regulator (<i>Commissione Nazionale per le Società e la Borsa</i> - "CONSOB") on 22 February 2008. No physical securities, such as global temporary or permanent securities or definitive securities will be issued in respect of the Italian Uncertificated Certificates.</p> <p>Securities identification numbers</p> <p>ISIN: DE000VN9AAM3</p> <p>WKN: VN9AAM</p> <p>Valor: 32496984</p>
C.2	Currency of the issue	The currency of the Securities is EUR (the " Settlement Currency ").
C.5	Description of any restrictions on the transferability of the securities	<p>– not applicable –</p> <p>Each Security is freely transferable in accordance with applicable law and any rules and procedures for the time being of any clearing system through whose books such Security is transferred.</p>
C.8	Description of the rights attached to the securities including ranking and limitations to those rights	<p>Redemption on exercise or termination</p> <p>The Securities grant the Security Holder the right to require the Issuer to redeem the Securities on exercise or termination by the payment of a Cash Amount, as described in C.15.</p> <p>Governing law</p> <p>The form and content of the Securities as well as all rights and obligations of the Issuer and of the Security Holders are determined in accordance with German law, except that the legal effects of the registration of Securities with the Central Securities Depository is governed by, and construed in accordance with, Italian law.</p> <p>The form and content of the Guarantee and all rights and obligations arising from it are determined in accordance with German law.</p> <p>Ranking of the Securities</p> <p>The obligations arising from the Securities constitute direct and unsecured obligations of the Issuer that rank <i>pari passu</i> in relation to one another and in relation to all other unsecured and unsubordinated obligations of the Issuer, with the exception of obligations that have priority due to mandatory statutory requirements.</p> <p>Limitations to the rights</p> <p>In accordance with the Terms and Conditions, the Issuer may make adjust-</p>

		<p>ments upon the occurrence of defined events in order to reflect relevant changes or events relating to the respective Underlying (as defined in Element C.20 below), or may terminate the Securities extraordinarily. In the case of an extraordinary termination, all investors' rights as described above cease to exist and there is the risk that the extraordinary termination amount may be zero (0).</p> <p>In the event that a market disruption occurs, there may be a delay in valuing the Security in relation to the Underlying, and this may affect the value of the Securities and/or delay the payment of the Cash Amount. In such cases, the Issuer may, in its reasonable discretion, determine a rate, level or price for the Underlying that is relevant for the purposes of valuing the Securities.</p> <p>The Issuer has the right to terminate all of the Securities ordinarily by the payment of the ordinary termination amount (which is calculated in the same way as the Cash Amount) and to end the term of the Securities.</p>
C.11	Admission to trading on a regulated market or other equivalent markets	<p>Application will be made for the Securities to be admitted to trading on the regulated market Mercato Telematico of securitised derivatives ("SeDeX") of Borsa Italiana S.p.A. ("Borsa").</p> <p>The date on which the Securities are expected to be admitted to trading is 6 June 2016.</p>
C.15	Description of how the value of the investment is affected by the value of the underlying instrument	<p>On the basis of the Securities, investors can participate in the performance of a particular underlying without having to purchase the respective underlying (the "Factor Index") or the financial instrument to which it is linked (the "Reference Instrument") directly. The Reference Instrument is an (other) index, for more detailed information see C.20. Because of various features of the Securities, an investment in the Securities is not comparable to a direct investment in the underlying or the Reference Instrument.</p> <p>The principal characteristic of Constant Leverage Certificates is that, after allowing for the ratio, they reproduce the performance of the underlying, i.e. the Factor Index, on a one-to-one basis. The Factor Index is composed, calculated and published by Bank Vontobel AG, Zurich, a company affiliated to the Issuer. It consists of a leverage component and a financing component.</p> <p>The leverage component tracks an investment in the Reference Instrument, whereby movements in the price of the Reference Instrument are multiplied by the leverage ("Factor"). The Factor is specified at the start of a new Factor Index and always remains unchanged for the entire calculation period of the Factor Index. Factor Indices therefore replicate a theoretical investment in a Reference Instrument, but movements in the price of the Reference Instrument are multiplied by the Factor. This leverage effect has a disproportionate effect on the value of the Factor Index in the case of both positive and negative movements in the Reference Instrument. The financing component reflects the capital costs that would be incurred to finance the corresponding investment in the Reference Instrument (or its constituents). Additionally, a fee is charged by the index calculation agent for the calculation and administration of the index (index fee). The financing component therefore reduces the value of the Factor Index.</p> <p>The Cash Amount for the Constant Leverage Certificates is dependent on the performance of the Underlying and corresponds to the Reference Price (as defined in C.19) under consideration of the Ratio.</p> <p>Underlying: 7X Long Index linked to FTSE MIB Index (for further</p>

		<p>details, see C.20)</p> <p>Ratio: 0,01</p> <p>See also the issue-specific information under C.16.</p>
C.16	Expiration or maturity date	<p>Constant Leverage Certificates do not have a fixed term and therefore do not grant the Security Holder the right to demand payment of the Cash Amount on a particular date, specified in advance at the time of issue, based on a particular price of the Underlying. The calculation and (subsequent) payment of the Cash Amount takes place when the Security Holder exercises the Securities effectively or when the Issuer ordinarily terminates the Securities.</p> <p>Valuation Date: (a) in case of valid exercise by the Security Holder, the respective exercise date;</p> <p>(b) in case of an Ordinary Termination by the Issuer, the ordinary termination date;</p> <p>(c) in other cases 18 December 2020 which is the date on which the security right is deemed to be exercised automatically.</p> <p>Expiry Date (<i>Data di Scadenza</i>): shall mean the Valuation Date.</p> <p>Maturity Date: the fifth (5th) business day following the Valuation Date.</p>
C.17	Description of the settlement procedure	<p>Amounts due are calculated by the Calculation Agent and made available to the Central Securities Depository by the Issuer on the Maturity Date via the Paying Agents for onward transfer to the respective custodian banks for the purpose of crediting the Security Holders. The Issuer shall thereupon be released from all payment obligations.</p> <p>If a due payment is required to be made on a day that is not a Business Day, the payment may be postponed until the next following Business Day.</p> <p>Calculation Agent: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland</p> <p>Paying Agents: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland; Bank Vontobel Europe AG, Alter Hof 5, 80331 Munich, Germany; and BNP PARIBAS Securities Services, Milan Branch, Via Ansperto no. 5, 20123 Milan, Italy</p>
C.18	Description of redemption for derivative securities	<p>The Securities are redeemed by the payment of the Cash Amount. Further details of the timing of redemption and how the amount is calculated can be found under C.15 to C.17.</p>
C.19	Exercise price/ final reference price of the underlying	<p>The amount of the Cash Amount depends on the Reference Price of the Underlying on the Valuation Date.</p> <p>The Reference Price is the closing price of the Underlying on the Valuation Date, as calculated and published in accordance with the index description.</p>
C.20	Description of the underlying and where information on the underlying can be found	<p>The underlying to which the Securities are linked is the 7X Long Index linked to FTSE MIB Index (the “Underlying”) which is composed and calculated by the index calculation agent.</p> <p>ISIN Underlying: CH0326601785</p> <p>Reference Instrument: FTSE MIB Index</p> <p>Index calculation agent: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich</p>

		<p>ich, Switzerland</p> <p>Further information about the Underlying is available on the internet at https://indices.vontobel.com/ and on Reuters <.CH0326601785>.</p>
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Section D – Risks		
D.2	Key information on the key risks relating to the Issuer and the Guarantor	<p>Insolvency risk of the Issuer</p> <p>The investors are exposed to the risk of the insolvency and therefore the illiquidity of the Issuer. There is therefore a general risk that the Issuer will be unable to fulfil all or some of its obligations arising from the Securities. In this event there is a threat of financial loss up to and including a total loss, irrespective of the performance of the Underlying.</p> <p>The Securities are not covered by a deposit protection scheme. Furthermore, the Issuer is also not a member of a deposit protection fund or similar protection system, which would reimburse the Security Holders' claims in full or in part if the Issuer became insolvent.</p> <p>For this reason, investors should take into consideration the creditworthiness of the Issuer when making their investment decisions. The Issuer's liable share capital amounts to only EUR 50,000. A purchase of the Securities therefore exposes the investor to a significantly greater credit risk than in the case of an issuer with a higher level of capital resources.</p> <p>The Issuer enters into OTC hedging transactions (hedging transactions negotiated individually between two parties) exclusively with other companies within the Vontobel Group. As a result of this lack of diversification, the Issuer is exposed to cluster risk with respect to the possible insolvency of its counterparties, which would not be the case with a more widely diversified selection of contractual partners. Illiquidity or insolvency on the part of companies affiliated to the Issuer could therefore result directly in the illiquidity of the Issuer.</p> <p>Market risk of the Issuer</p> <p>A difficult macroeconomic situation may lead to a lower issue size and have a negative impact on the Issuer's results of operations. In this regard, the general market performance of securities depends in particular on the performance of the capital markets, which is in turn influenced by the general situation of the global economy and the economic and political framework in the respective countries (known as market risk).</p> <p>Insolvency risk of the Guarantor</p> <p>The investor bears the risk of the insolvency of the Guarantor. There is a general risk that the Guarantor will be unable to fulfil all or some of the obligations arising under the Guarantee undertaking. For this reason, investors should take into consideration not only the creditworthiness of the Issuer, but also the creditworthiness of the Guarantor when making their investment decisions.</p> <p>The Guarantor is not a member of a deposit protection fund or similar protection system, which would reimburse the Security Holders' claims in full or in part if the Guarantor became insolvent.</p> <p>Business risks relating to the Guarantor</p> <p>The Guarantor's business is influenced by the prevailing market conditions. The factors influencing the Guarantor's business may be caused by general market risks arising as a result of unfavourable movements in market prices, such as interest rates, exchange rates, share prices, commodity prices and the related volatilities, and have a negative impact on the valuation of the</p>

		underlyings and/or derivative financial products.
D.3 D.6	Key information on the key risks relating to the securities/ Risk of total loss	<p>Risk of loss due to dependence on the performance of the Underlying</p> <p>The Securities are financial instruments whose value is derived from the value of another reference object, the "Underlying". The Underlying is a Factor Index whose performance is largely dependent in turn on the performance of another financial instrument, the Reference Instrument.</p> <p>In the case of Securities linked to Factor Indices of the long type, a decrease of the Reference Instrument is disadvantageous for the investor.</p> <p>Investors should also bear in mind that the Underlying is designed in such a way that the performance of the Reference Instrument is incorporated in the calculation of the Underlying together with a leverage effect. A change in the Reference Instrument results in a disproportionate change in the price of the Underlying and therefore also in the price of the Securities. Consequently, these Securities entail disproportionate risks of loss if the Reference Instrument and therefore also the Underlying moves in a direction that is unfavourable from the point of view of the investor. As a result of the particular method of calculating the Factor Index, sideways movements in the Reference Instrument can also result in significant decrease of the price of the Factor Index and therefore also of the Security.</p> <p>There is no guarantee that the performance of the Underlying or its Reference Instrument will match the investor's expectations. If the Reference Instrument of the Underlying moves in a direction that is disadvantageous for the investor, there is a risk of loss up to and including a total loss.</p> <p>Market price risks</p> <p>The price of a Security depends primarily on the price of the respective Underlying to which it is linked and replicates its performance after adjusting for the ratio. All of the positive and negative factors affecting an Underlying (especially those relating to the relevant Reference Instrument and the risks entailed in an investment in such a Reference Instrument) are therefore also reflected in principle in the price of a Security.</p> <p>The price of the Securities may perform negatively. This may be caused – as described above – by the price of the Underlying to which the Security is linked moving in the unfavourable direction or by other factors affecting the price (such as the volatility, a deterioration in the Issuer's credit rating and the performance of the economy as a whole).</p> <p>Option risks with respect to the Securities</p> <p>The Securities described in the Base Prospectus are derivative financial instruments incorporating an option right which may therefore have many features in common with options. Transactions with options may involve a high level of risk. An investment in the Securities may be subject to very pronounced fluctuations in value and in some circumstances the embedded option will be completely worthless on expiry. In this event, the investor may lose the entire amount invested in the Securities.</p> <p>Volatility risk</p> <p>An investment in Securities with Underlyings (linked to Reference Instruments) with a high volatility is fundamentally more risky than an investment in Securities or Underlyings with low volatility since it entails greater potential for incurring losses.</p>

		<p>Risks relating to historical performance</p> <p>The performance of an Underlying, of its Reference Instrument or of a Security in the past is not an indicator of its performance in the future.</p> <p>Risks relating to financing the purchase of the Security with debt</p> <p>Since the Securities do not provide any current income (such as interest or dividends), investors must not assume that they will be able to use such current income to service any loan interest falling due during the term of the Securities.</p> <p>Transactions designed to exclude or limit risk</p> <p>Investors may not be able to hedge adequately against the risks associated with the Securities.</p> <p>Inflation risk</p> <p>Inflation has a negative effect on the real value of assets held and on the return generated in real terms.</p> <p>Risks due to the economic cycle</p> <p>Losses from a fall in prices may arise because investors do not take the cyclical performance of the economy with its corresponding upward and downward phases into account, or do not do so correctly, when making their investment decisions and consequently make investments, or hold or sell Securities, at phases of the economic cycle that are unfavourable from their point of view.</p> <p>Psychological market risk</p> <p>Factors of a psychological nature may also have a significant influence on the price of the Underlyings and therefore on the performance of the Securities. If, through such effect, the price of the Underlying or of its Reference Instrument is affected to the contrary of the market expectations of the investor, the investor may suffer a loss.</p> <p>Risks relating to trading in the Securities, liquidity risk</p> <p>The Market Maker (as defined in E.3) undertakes to provide bid and offer prices for the Securities pertaining to an issue subject to regular market conditions.</p> <p>In the event of extraordinary market conditions or extremely volatile markets, the Market Maker will not provide any bid and offer prices. However, even in the case of regular market conditions, the Market Maker does not assume any legal responsibility towards the Securities Holders to provide such prices and/or that such prices provided by the Market Maker are reasonable.</p> <p>Thus, potential investors must not assume that it will be possible to sell the Securities during their term and must in any case be prepared to hold the Securities until the Valuation Date or, if applicable, the next Exercise Date to redeem the Securities in accordance with the Terms and Conditions (by submitting an exercise notice).</p> <p>Risks relating to the price determination of the Securities and the effect of transaction costs and commissions</p> <p>The Issue Price (as defined in E.3) and the selling price for the Securities quoted in the secondary market may include a premium over the original</p>
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	<p>mathematical value of the Securities (so-called fair value) that is not apparent to the investor. This margin and the actuarial value of the Securities is determined by the Issuer and/or Market Maker at its own discretion on the basis of internal pricing models and a number of other factors. These factors include <i>inter alia</i> the following parameters: actuarial value of the Securities, price and volatility of the Underlying, supply and demand with regard to the Securities, costs for risk hedging, premium for risk assumption, costs for structuring and distribution of the Securities, commissions, if any, as well as licence fees or management fees, if any.</p> <p>For the aforesaid reasons, the prices provided by the Market Maker may deviate from the actuarial value of the Securities and/or the price to be expected from a commercial perspective.</p> <p>Risk relating to the taxation of the Securities</p> <p>The payment of taxes, levies, fees, deductions or other amounts incurred in connection with the Securities is the responsibility of the respective Security Holder and not of the Issuer. All payments made by the Issuer may be subject to taxes, levies, fees, deductions or other payments required to be made, paid, withheld or deducted.</p> <p>Risks relating to the effect of hedging transactions by companies of the Vontobel Group</p> <p>Hedging and trading transactions performed by the Issuer and by companies of the Vontobel Group in a Reference Instrument of a Factor Index may have a negative impact on the value of the Securities.</p> <p>Risks in connection with adjustments, market disruptions, extraordinary termination and settlement</p> <p>The Issuer or the index calculation agent may make adjustments in order to reflect relevant changes or events relating to the Underlying or its Reference Instrument. The possibility cannot be excluded in this context that an adjustment may prove to be disadvantageous for the investor. The Issuer may also be entitled to terminate the Securities extraordinarily. In the case of an extraordinary termination, all investors' redemption rights cease to exist and there is the risk that the extraordinary termination amount may be zero (0). In the least favourable case, a total loss of the capital invested may occur.</p> <p>Risk of termination by the Issuer</p> <p>The Issuer has an ordinary right of termination, and the investor therefore faces the risk that the Issuer may terminate and redeem the Securities at a time at which the investor would not otherwise have sold or exercised the Securities. This may result in the investor not achieving the desired return and may entail a loss up to and including a total loss.</p> <p>In this event, the Security Holders bear the risk that their expectations with respect to an increase in the value of the Securities can no longer be met due to their termination. In such cases investors may no longer be able to reinvest or may only be able to reinvest on less favourable terms and conditions.</p> <p>The Issuer also has an extraordinary termination right involving the same risks for investors as in the case of ordinary termination.</p> <p>Risks with respect to potential conflicts of interest</p> <p>Conflicts of interest may exist among the companies of the Vontobel</p>
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		<p>Group (in particular with respect to their function as index calculation agent) and third parties to the detriment of the investor which may affect the value of the Securities. The principal possible conflicts of interest are set out under E.4.</p> <p>Information risk</p> <p>There is a possibility that investors may make incorrect decisions because of missing, incomplete or incorrect information, which may be outside the Issuer's control.</p> <p>Currency risk</p> <p>If the Settlement Currency of the Securities is different from the domestic currency of the investor or the currency in which an investor wishes to receive payments, potential investors bear exchange rate risks.</p> <p>Risks relating to the calculation and design of the Underlying</p> <p>In addition to the leverage effect described above, costs (e.g. securities lending costs) and fees (e.g. an index fee) may be incurred, depending on the structure of the Factor Index and of the Underlying Reference Instrument, that also have the effect of reducing the value of the Factor Index and therefore the level of the Underlying.</p> <p>Risk of total loss</p> <p>The Securities are particularly risky investment instruments, which combine features of derivatives transactions with those of leveraged products. The Securities are therefore associated with disproportionate risks of loss (risk of total loss).</p> <p>If a loss arises, it will consist of the price paid for the Security and the costs incurred, such as custodian fees or brokerage and/or stock exchange commissions. This risk of loss exists irrespective of the financial condition of the Issuer and of the Guarantor.</p> <p>There is no provision for regular distributions, payments of interest or a minimum repayment amount. The loss of capital may be substantial with the result that in certain circumstances investors may suffer a total loss of their investment.</p>
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Section E – Offer		
E.2b	Reasons for the offer and use of proceeds	The proceeds from the issue of the Securities will be used to finance the Issuer's general business activities. The Issuer intends to generate profits from the issue and will also use the issue proceeds to hedge against risks arising from the issue.
E.3	Description of the terms and conditions of the offer	<p>Issue Price: EUR 10.00</p> <p>Issue Date: 6 June 2016</p> <p>Value Date (<i>Data di Valuta</i>): 6 June 2016</p> <p>Offer Size: 7,500,000 Securities</p> <p>Minimum Trading Volume: 1 Security</p> <p>Public Offer: in Italy starting from: 3 June 2016</p> <p>The Issue Price of the Securities was determined by the Market Maker.</p>
E.4	Interests that are material to the issue/offer (including)	Conflicts of interest may exist among the companies of the Vontobel Group that may have a negative effect on the value of the Underlying and therefore the value of the Securities.

	ing conflicts of interest)	<p><u>Trading transactions relating to the Reference Instrument</u></p> <p>During the term of the Securities, the companies of the Vontobel Group may be involved in trading transactions, for their own account or for a customer's account, that directly or indirectly relate to the Reference Instrument. The companies of the Vontobel Group may also become counterparties in hedging transactions relating to the Issuer's obligations arising from the Securities. Such trading or hedging transactions may have a negative impact on the value of the Reference Instrument and thus have a negative impact on the Underlying and the value of the Securities.</p> <p><u>Exercise of other functions by companies of the Vontobel Group</u></p> <p>The Underlying of the Securities is a proprietary index composed and calculated by Bank Vontobel AG, Zurich, a company affiliated to the Issuer as Index Calculation Agent. The index calculation agent consequently has a direct influence on the Underlying and therefore – due to the dependence of the Securities on the performance of the Underlying – also on the value of the Securities.</p> <p>The Issuer and other companies of the Vontobel Group may also exercise other functions in relation to the Securities, e.g. as calculation agent and/or as market maker. Such function may enable the Issuer and/or other companies of the Vontobel Group to determine the composition of the Underlying or to calculate its value. These functions may also lead to conflicts of interest, both among the respective companies of the Vontobel Group and between these companies and the investors, in determining the prices of the Securities and in making other associated determinations.</p> <p><u>Activity as Market Maker for the Securities</u></p> <p>Bank Vontobel Europe AG will act as market maker (the "Market Maker") for the Securities. Through such liquidity providing activities, the Market Maker – supported by other companies of the Vontobel Group – will determine the price of the Securities on the basis of internal pricing models and a number of other factors.</p> <p>As a result, the prices set by the Market Maker may differ significantly from the fair value of the Securities or the value they would be expected to have in economic terms at a particular point in time. In addition, the Market Maker may at any time revise the method it uses to determine the prices quoted, e.g. by widening or narrowing the spreads between bid and offer prices.</p> <p><u>Payment of commissions, own interests of third parties</u></p> <p>In connection with the placing and/or the Public Offer of the Securities, the Issuer or other companies of the Vontobel Group may pay commissions to third parties. It is possible that these third parties may pursue their own interests in the course of making an investment decision or investment recommendation.</p>
E.7	Estimated expenses charged to the investor by the Issuer or the Offeror	<p>– not applicable –</p> <p>The investor may purchase the Securities at the Issue Price or at the selling prices quoted by the Market Maker during the term of the Securities. These prices include all costs incurred by the Issuer, Offeror and Market Maker for the issue and distribution of the Securities (e.g. sales and distribution costs, structuring and hedging costs, including a profit margin) (with respect to the reduction in value of the Securities due to the index fee and, where applicable, the financing component, see C.15 above).</p> <p>Details of any transaction costs should be requested from the relevant</p>

		sales partner or from the investor's house bank or broker. No further expenses will be charged to the investor by the Issuer or the Offeror beyond the Issue Price or the selling price.
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TRADUZIONE ITALIANA DEL NOTA DI SINTESI DELLA SPECIFICA EMISSIONE

Le note di sintesi sono composte dai requisiti d'informativa noti come "Elementi". Questi elementi sono numerati nelle Sezioni da A ad E (A.1 – E.7).

La presente Nota di Sintesi contiene tutti gli Elementi che devono essere inclusi in una nota di sintesi per questo tipo di titoli ed Emittente. Poiché certi Elementi non devono necessariamente essere trattati, possono esserci lacune nella sequenza della numerazione degli Elementi.

Sebbene un certo Elemento debba essere inserito in una nota di sintesi perché così richiesto dal tipo di titoli e di Emittente, può darsi che non possano essere fornite informazioni rilevanti in relazione a tale Elemento. In tal caso è inclusa nella nota di sintesi una breve descrizione dell'Elemento, con la menzione "non applicabile".

Sezione A – Introduzione e avvertenze		
A.1	Avvertenze	<p>La presente nota di sintesi dovrebbe essere letta quale introduzione al prospetto di base datato 3 maggio 2016 come supplementato (il "Prospetto di Base" o il "Prospetto").</p> <p>Ogni decisione di investire nei titoli (i "Titoli") dovrebbe basarsi sull'esame del Prospetto di Base nel suo insieme, ivi incluse le informazioni incorporate tramite riferimento, congiuntamente ad eventuali supplementi e alle Condizioni Definitive pubblicate con riferimento all'emissione dei Titoli.</p> <p>Qualora sia proposta un'azione davanti ad un'autorità giudiziaria in relazione alle informazioni contenute nel Prospetto di Base, l'investitore ricorrente potrebbe essere tenuto, a norma del diritto nazionale degli stati dello Spazio Economico Europeo in cui è proposta l'azione, a sostenere le spese di traduzione del Prospetto di Base prima dell'inizio del procedimento legale.</p> <p>Vontobel Financial Products GmbH (l'"Emittente") e Bank Vontobel Europe AG (in quanto offerente, l'"Offerente" e in quanto garante, il "Garante") hanno assunto la responsabilità per la presente nota di sintesi, ivi inclusa la relativa traduzione.</p> <p>La responsabilità civile incomberà soltanto sui soggetti che hanno assunto la responsabilità della presente nota di sintesi, inclusa ogni eventuale traduzione della stessa, ma soltanto qualora la nota di sintesi, sia fuorviante, imprecisa o non coerente quando letta congiuntamente alle altre parti del Prospetto di Base o non fornisca, quando letta congiuntamente alle altre parti del Prospetto di Base, le informazioni chiave richieste.</p>
A.2	Consenso all'utilizzo del prospetto	L'Emittente e l'Offerente acconsentono all'utilizzo del Prospetto di Base per un'offerta al pubblico dei Titoli in Italia (l'" Offerta al Pubblico ") (consenso generale).
	Periodo di offerta per la rivendita da parte di intermediari finanziari	La successiva rivendita e collocamento finale dei Titoli da parte di intermediari finanziari può avvenire durante il periodo di validità del Prospetto di Base nel rispetto del paragrafo § 9 della Legge Tedesca sul Prospetto di Strumenti Finanziari (Wertpapierprospektgesetz, "WpPG") o – in caso (i) un prospetto di base successivo al Prospetto di Base sia stato pubblicato sul sito internet https://certificates.vontobel.com sotto il titolo <<Documenti Legali>> (<<Legal Documents>>) al più tardi l'ultimo giorno di validità del Prospetto di Base e (ii) i Titoli siano identificati nel seguente prospetto di base – durante il periodo di validità di tale seguente prospetto

		di base ai sensi del § 9 comma 1 della Legge tedesca sul Prospetto dei Titoli (<i>WpPG</i>).
	Condizioni a cui è subordinato il consenso	Il consenso dell'Emittente e dell'Offerente è subordinato alle seguenti condizioni (i) che il Prospetto di Base e le Condizioni Definitive siano consegnati ai potenziali investitori solo congiuntamente a tutti i supplementi pubblicati fino al momento di tale consegna e (ii) che nell'utilizzare il Prospetto di Base e le Condizioni Definitive, l'intermediario finanziario assicuri il rispetto di tutte le leggi e i regolamenti applicabili in vigore nelle rispettive giurisdizioni.
	Dichiarazione dell'intermediario finanziario che le informazioni sui termini e condizioni dell'offerta devono essere messe a disposizione da parte di quest'ultimo	Se l'offerta di acquisto dei Titoli è promossa da un intermediario finanziario, le informazioni sui termini e condizioni dell'offerta devono essere messe a disposizione dal relativo intermediario finanziario nel momento in cui l'offerta è promossa.

Sezione B – Emittente e Garante		
B.1	Denominazione legale e commerciale	La denominazione legale e commerciale dell'Emittente è Vontobel Financial Products GmbH.
B.2	Domicilio, forma giuridica, legislazione applicabile, paese di costituzione	L'Emittente è domiciliato a Francoforte sul Meno, Germania. L'indirizzo della sede degli affari è: Bockenheimer Landstraße 24, 60323 Francoforte sul Meno, Germania. L'Emittente è una società a responsabilità limitata (<i>Gesellschaft mit beschränkter Haftung</i>) costituita in Germania ai sensi della legge tedesca ed è iscritta al registro delle imprese (<i>Amtsgericht</i>) di Francoforte sul Meno al numero HRB 58515.
B.4b	Informazioni sulle tendenze	L'attività del Emittente è particolarmente influenzata dall'andamento dell'economia, specialmente in Germania e in Europa, così come dalle condizioni globali dei mercati finanziari. Nel mese di gennaio 2016, l'ulteriore significativa diminuzione dei prezzi del petrolio e il connesso aumento della volatilità dei mercati finanziari hanno rappresentato eventi significativi. Inoltre, anche il quadro politico ha avuto un impatto sull'attività dell'Emittente. In aggiunta, possibili cambiamenti regolamentari potrebbero avere un'influenza negativa sulla domanda o sul lato dei costi dell'Emittente.
B.5	Descrizione del gruppo e posizione dell'Emittente nel gruppo	L'Emittente non ha società controllate. Tutte le azioni dell'Emittente sono detenute da Vontobel Holding AG, la capogruppo del gruppo Vontobel (il " Gruppo Vontobel "). Costituita nel 1924 e con sede principale a Zurigo, il Gruppo Vontobel è una banca svizzera privata con attività internazionali. Il Gruppo Vontobel fornisce servizi finanziari globali sulla base della tradizione bancaria privata svizzera. I settori di attività su cui il Gruppo Vontobel si concentra sono: (i) <i>Private Banking</i> , (ii) <i>Asset Management</i> e (iii) <i>Investment Banking</i> .
B.9	Previsione o stima	– non applicabile –

	degli utili	Non è stata inclusa alcuna previsione o stima degli utili.																																	
B.10	Natura di eventuali rilievi contenuti nella relazione dei revisori relativa ad informazioni finanziarie di esercizi passati	– non applicabile – Non ci sono tali riserve.																																	
B.12	Informazioni principali finanziarie selezionate di esercizi passati	<p>Le seguenti informazioni finanziarie selezionate sono state estratte dai bilanci certificati dell'Emittente per gli esercizi 2014 e 2015 che sono stati redatti secondo le previsioni del Codice Commerciale Tedesco (<i>Handelsgesetzbuch</i>) e della Legge Tedesca sulle Società a Responsabilità Limitata (<i>Gesetz betreffend die Gesellschaften mit beschränkter Haftung</i>).</p> <p>Stato Patrimoniale</p> <table> <tr> <th></th><th>31 dicembre 2014 (EUR)</th><th>31 dicembre 2015 (EUR)</th></tr> <tr> <td>Crediti finanziari verso società collegate (attivo corrente)</td><td>913.190.853</td><td>1.169.626.706</td></tr> <tr> <td>Saldi bancari (attivo corrente)</td><td>3.168.102</td><td>2.149.684</td></tr> <tr> <td>Passività da emissioni (passività)</td><td>913.135.664</td><td>1.169.260.532</td></tr> <tr> <td>Riserve di capitale (patrimonio netto)</td><td>2.000.000</td><td>2.000.000</td></tr> <tr> <td>Attivo Totale</td><td>928.867.286</td><td>1.187.984.764</td></tr> </table> <p>Conto Economico</p> <table> <tr> <th></th><th>Dal 1 dicembre a 31 dicembre 2014 (EUR)</th><th>Dal 1 dicembre a 31 dicembre 2015 (EUR)</th></tr> <tr> <td>Utili e perdite realizzati e non realizzati dall'attività di emissione</td><td>50.876.667</td><td>100.767.626</td></tr> <tr> <td>Utili e perdite realizzati e non realizzati da operazioni di copertura</td><td>-48.464.627</td><td>-97.519.664</td></tr> <tr> <td>Altri costi operativi</td><td>1.738.983</td><td>2.489.626</td></tr> <tr> <td>Utile netto d'esercizio</td><td>131.815</td><td>148.186</td></tr> </table> <p>Dichiarazioni sulle prospettive dell'Emittente</p> <p>Non si sono verificati mutamenti significativi nelle prospettive dell'Emittente dalla data della pubblicazione del bilancio annuale certificato (31 dicembre 2015).</p> <p>Dichiarazioni su cambiamenti nella posizione dell'Emittente</p> <p>– non applicabile –</p> <p>Non si sono verificati cambiamenti significativi nella posizione finanziaria o commerciale dell'Emittente dalla data della pubblicazione del bilancio annuale certificato (31 dicembre 2015).</p>		31 dicembre 2014 (EUR)	31 dicembre 2015 (EUR)	Crediti finanziari verso società collegate (attivo corrente)	913.190.853	1.169.626.706	Saldi bancari (attivo corrente)	3.168.102	2.149.684	Passività da emissioni (passività)	913.135.664	1.169.260.532	Riserve di capitale (patrimonio netto)	2.000.000	2.000.000	Attivo Totale	928.867.286	1.187.984.764		Dal 1 dicembre a 31 dicembre 2014 (EUR)	Dal 1 dicembre a 31 dicembre 2015 (EUR)	Utili e perdite realizzati e non realizzati dall'attività di emissione	50.876.667	100.767.626	Utili e perdite realizzati e non realizzati da operazioni di copertura	-48.464.627	-97.519.664	Altri costi operativi	1.738.983	2.489.626	Utile netto d'esercizio	131.815	148.186
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B.13	Eventi recenti relativi all'Emittente che siano sostanzialmente rilevanti	– non applicabile – Non si sono verificati eventi recenti relativi all'Emittente che siano sostanzialmente rilevanti per la valutazione della solvibilità dell'Emittente.																																	

	ti per la valutazione della solvibilità dell'Emittente.	
B.14	Struttura del gruppo e posizione dell'Emittente all'interno del gruppo/ Dipendenza dell'Emittente da altri enti all'interno del gruppo	<p>Con riferimento alla struttura organizzativa, si veda la sezione B.5 che precede.</p> <p>– non applicabile –</p> <p>L'Emittente non ha società controllate. Poiché tutte le azioni dell'Emittente sono detenute da Vontobel Holding AG, la capogruppo del Gruppo Vontobel, l'Emittente è, comunque, dipendente da Vontobel Holding AG.</p>
B.15	Descrizione delle principali attività dell'emittente	<p>L'attività principale dell'Emittente è l'emissione di titoli e strumenti finanziari derivati nonché la realizzazione di operazioni finanziarie e di operazioni ancillari a queste ultime. Sono escluse le attività che richiedono autorizzazione ai sensi della Legge Bancaria Tedesca (<i>Gesetz über das Kreditwesen</i>). L'Emittente può, inoltre, compiere tutte le attività che siano direttamente o indirettamente correlate con il proprio oggetto sociale principale nonché tutte quelle attività che potrebbero, direttamente o indirettamente, servire a promuoverlo. L'Emittente può, inoltre, costituire, acquistare o vendere società controllate o succursali in Germania e in altri paesi o acquisire partecipazioni in altre società.</p>
B.16	Partecipazioni e controllo dell'Emittente	<p>Tutte le azioni dell'Emittente sono detenute da Vontobel Holding AG, la capogruppo del Gruppo Vontobel. Non esistono accordi per il controllo o accordi di trasferimento di utili e perdite tra l'Emittente e Vontobel Holding AG.</p> <p>Con riferimento alle partecipazioni in, e al controllo su, Vontobel Holding AG, si veda la sezione B.19/B.16.</p>
B.18	Descrizione della natura e dello scopo della garanzia	<p>I pagamenti di tutti gli importi dovuti dall'Emittente in conformità a quanto previsto dal regolamento (il "Regolamento") dei Titoli emessi ai sensi del Prospetto di Base sono garantiti dal Garante.</p> <p>A prima richiesta scritta dei rispettivi portatori dei titoli (i "Portatori dei Titoli") e sulla base della loro conferma scritta che l'Emittente non abbia pagato un importo previsto ai sensi dei Titoli quando dovuto, il Garante pagherà loro tutte le somme richieste per adempiere all'oggetto e allo scopo della garanzia.</p> <p>L'oggetto e lo scopo della garanzia è di assicurare che i Portatori dei Titoli, in qualsiasi e ogni circostanza, di diritto o di fatto, e a prescindere dalla validità o dall'esigibilità delle obbligazioni dell'Emittente o per qualsiasi altra ragione per cui l'Emittente possa non essere in grado di adempiere ai propri obblighi di pagamento, ricevano alla data in cui sono dovute, qualsiasi e ogni somma pagabile alla data di liquidazione, secondo quanto previsto dal Regolamento dei Titoli.</p> <p>La presente garanzia costituisce un contratto a favore dei Portatori dei Titoli quali terzi beneficiari ai sensi del paragrafo § 328 (1) del Codice Civile Tedesco (<i>Bürgerliches Gesetzbuch</i>). La forma e il contenuto della presente garanzia, così come tutti i diritti e gli obblighi che derivano dalla stessa, sono regolati esclusivamente dalla legge tedesca. Il tribunale di Monaco</p>

		ha giurisdizione non esclusiva per tutte le controversie relative al Garante e alla garanzia.
B.19 / B.1	Denominazione legale e commerciale del Garante	La denominazione legale e commerciale del Garante è Bank Vontobel Europe AG.
B.19 / .2	Domicilio, forma giuridica, legislazione applicabile, paese di costituzione del Garante	Il Garante è domiciliato a Monaco, Germania. L'indirizzo della sede degli affari è Alter Hof 5, 80331 Monaco, Germania. Il Garante è una società per azioni (<i>Aktiengesellschaft</i>) costituita in Germania ai sensi della legge tedesca. Il Garante è iscritto al registro delle imprese (<i>Amtsgericht</i>) di Monaco al numero HRB 133419.
B.19 / B.4b	Informazioni sulle tendenze relative al Garante	Le prospettive del Garante sono influenzate, nel contesto delle continue operazioni commerciali delle società del Gruppo Vontobel, da cambiamenti nel quadro generale (mercati, regolamenti) così come dai rischi di mercato, di liquidità, di credito ed operativi solitamente assunti con il lancio di nuove attività (nuovi prodotti e servizi, nuovi mercati) e dai rischi reputazionali. In aggiunta ai vari fattori di mercato quali i tassi di interesse, gli spread di credito, i tassi di cambio, i prezzi delle azioni, i prezzi delle materie prime e le corrispondenti volatilità, devono essere menzionate quali fattori che hanno una influenza rilevante, in particolar modo, le attuali politiche monetarie e di tassi di interesse.
B.19 / B.5	Descrizione del gruppo e posizione del Garante nel gruppo	Tutte le azioni del Garante sono detenute dalla società controllante del gruppo, Vontobel Holding AG, Zurigo, Svizzera. La Società non ha controllate.
B.19 / B.9	Previsione o stima degli utili del Garante	– non applicabile – Non è stata inclusa alcuna previsione o stima degli utili.
B.19 / B.10	Natura di eventuali rilievi contenuti nella relazione dei revisori del Garante relative ad informazioni finanziarie di esercizi passati	– non applicabile – Non ci sono tali riserve.
B.19 / .12	Informazioni principali finanziarie sul Garante selezionate di esercizi passati	Le seguenti informazioni finanziarie selezionate sono state estratte dai bilanci consolidati certificati del Garante per gli esercizi 2014 e 2015 che sono stati redatti in conformità con la normativa applicabile in materia (legge Tedesca sulle Società per Azioni (<i>Aktiengesetz</i>); Codice Commerciale Tedesco (<i>Handelsgesetzbuch</i>); e la Direttiva Tedesca sul Sistema Contabile per Banche e Fornitori di Servizi Finanziari (<i>Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute</i> , " <i>RechKredV</i> ") come specificato dalla Legge Tedesca di Modernizzazione del Sistema Contabile (<i>Bilanzrechtsmodernisierungsgesetz</i>). In conformità con il paragrafo 1 del <i>RechKredV</i> congiuntamente al paragrafo § 2 del <i>RechKredV</i> , la Banca ha redatto il proprio stato patrimoniale utilizzando il Modello 1 e il proprio conto economico utilizzando il Modello 3 (format di presentazioni verticale) con voci supplementari.

		<table> <tr> <th>Stato Patrimoniale</th><th>31 dicembre 2015 (certificato) (in migliaia di Euro)</th><th>31 dicembre 2014 (certificato) (in migliaia di Euro)</th></tr> <tr><td>Attivo totale</td><td>259.514</td><td>208.435</td></tr> <tr><td>Capitale netto</td><td>75.996</td><td>53.462</td></tr> <tr><td>Debiti verso banche</td><td>705</td><td>0</td></tr> <tr><td>Debiti verso la clientela</td><td>171.394</td><td>145.892</td></tr> <tr><td>Riserva di cassa</td><td>89.403</td><td>14.644</td></tr> <tr><td>Crediti verso banche</td><td>61.378</td><td>121.911</td></tr> <tr><td>Crediti verso la clientela</td><td>43.318</td><td>47.581</td></tr> <tr><td>Strumenti di debito</td><td>55.568</td><td>20.473</td></tr> <tr><td>Immobilizzazioni immateriali</td><td>76</td><td>78</td></tr> <tr><td>Immobilizzazioni materiali</td><td>559</td><td>674</td></tr> <tr><td>Risconti attivi</td><td>276</td><td>7</td></tr> <tr><td>Altre attività</td><td>8.936</td><td>3.067</td></tr> </table>	Stato Patrimoniale	31 dicembre 2015 (certificato) (in migliaia di Euro)	31 dicembre 2014 (certificato) (in migliaia di Euro)	Attivo totale	259.514	208.435	Capitale netto	75.996	53.462	Debiti verso banche	705	0	Debiti verso la clientela	171.394	145.892	Riserva di cassa	89.403	14.644	Crediti verso banche	61.378	121.911	Crediti verso la clientela	43.318	47.581	Strumenti di debito	55.568	20.473	Immobilizzazioni immateriali	76	78	Immobilizzazioni materiali	559	674	Risconti attivi	276	7	Altre attività	8.936	3.067
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	<p>Dichiarazioni sulle prospettive del Garante</p> <p>Dichiarazioni sui cambiamenti nella posizione del Garante</p>	<p>Non si sono verificati mutamenti significativi nelle prospettive del Garante dalla data della pubblicazione del bilancio annuale certificato più recente (31 dicembre 2015).</p> <p>Non si sono verificati cambiamenti significativi nella posizione finanziaria o commerciale del Garante dalla data della pubblicazione del bilancio annuale certificato (31 dicembre 2015).</p>																																							
B.19 / B.13	Eventi recenti relativi al Garante che siano sostanzialmente rilevanti per la valutazione della solvibilità del Garante	<p>– non applicabile –</p> <p>Non si sono verificati eventi recenti relativi al Garante che siano sostanzialmente rilevanti per la valutazione della solvibilità del Garante.</p>																																							
B.19 / B.14	Struttura del gruppo e posizione del Garante all'interno del gruppo/ Dipendenza del Garante da altri enti all'interno del gruppo	<p>Con riferimento alla struttura organizzativa, si veda la sezione B.19 / B.5 che precede.</p> <p>Il Garante non ha società controllate. Poiché tutte le azioni del Garante sono detenute da Vontobel Holding AG, la capogruppo del Gruppo Vontobel, il Garante è, comunque, dipendente da Vontobel Holding AG.</p>																																							
B.19 con	Descrizione delle attività principali	Ai sensi dell'Articolo 2 dell'Atto Costitutivo del 2 maggio 2010, l'oggetto sociale della Società comprende lo svolgimento di attività bancarie, relative																																							

B.15	del Garante	ad attività di deposito, attività di credito, servizi di <i>principal broking</i> , attività di custodia, attività di garanzia, attività di conto corrente e attività di sottoscrizione. L'oggetto della Società comprende, peraltro, la prestazione di servizi finanziari, incluso l' <i>investment broking</i> , la consulenza sugli investimenti, l'attività di collocamento, il <i>contract broking</i> , la gestione di portafogli finanziari, il trading proprietario, il <i>broking</i> di deposito non-EEA la prestazione di servizi bancari a supporto ed ogni altra attività atta a perseguire direttamente o indirettamente l'oggetto della Società.
B.19 / B.16	Partecipazioni in, e controllo del, Garante	Tutte le azioni del Garante sono detenute da Vontobel holding AG, la capogruppo del Gruppo Vontobel.

Sezione C – Titoli		
C.1	Tipo e classe dei titoli, codici di identificazione dei titoli	<p>I Titoli (Certificati a Leva Costante) sono derivati cartolarizzati definiti come "certificati a leva" di classe B in conformità con gli attuali regolamenti ed istruzioni di Borsa Italiana S.p.A. Questi Titoli replicano, con un effetto leva fisso, l'andamento del sottostante.</p> <p>Forma dei Titoli</p> <p>I Titoli non sono rappresentati da certificati e sono emessi in forma dematerializzata mediante scritture contabili ai sensi del Testo Unico della Finanza e sono accentrati e registrati presso Monte Titoli S.p.A. con sede legale in Piazza degli Affari, 6, 20123 Milano, Italia (il "Depositario Centrale") in ottemperanza a quanto previsto dal Decreto Legislativo n. 213 del 24 giugno 1998, dal Decreto Legislativo n. 58 del 24 febbraio 1998 e dal Regolamento recante la disciplina dei servizi di gestione accentrata, di liquidazione, dei sistemi di garanzia e delle relative società di gestione emanato da Banca d'Italia e dalla Commissione Nazionale per la Società e la Borsa ("CONSOB") il 22 febbraio 2008. Con riferimento ai Certificati Italiani non Rappresentati da Certificati, non saranno emessi titoli fisici, ovvero titoli globali temporanei o permanenti o definitivi.</p> <p>Codici identificativi dei Titoli</p> <p>ISIN: DE000VN9AAM3</p> <p>WKN: VN9AAM</p> <p>Valor: 32496984</p>
C.2	Valuta dell'emissione	La valuta dei Titoli è EUR (la " Valuta di Regolamento ").
C.5	Descrizione delle eventuali restrizioni alla trasferibilità dei titoli	<p>– non applicabile –</p> <p>Ciascun Titolo è liberamente trasferibile in conformità alla legge applicabile e alle vigenti regole e procedure di ogni sistema di gestione accentrata sui cui libri tale Titolo sia trasferito.</p>
C.8	Descrizione dei diritti connessi ai titoli, inclusa la priorità nell'ordine dei pagamenti e le restrizioni a tali	<p>Rimborso a seguito di esercizio o a scadenza</p> <p>I Titoli attribuiscono al Portatore dei Titoli il diritto di richiedere all'Emittente di rimborsare i Titoli a seguito di esercizio o a scadenza mediante il pagamento di un Importo in Contanti, come descritto alla sezione C.15.</p>

	diritti	<p>Legge applicabile</p> <p>La forma e il contenuto di Titoli così come tutti i diritti e gli obblighi dell'Emittente e dei Portatori dei Titoli sono definiti nel rispetto della legge tedesca per "Certificati Italiani non Rappresentati da Certificati": ad eccezione degli effetti giuridici della registrazione dei Titoli presso il Depositario Centrale che sono regolati dalla, e interpretati secondo la, legge italiana.</p> <p>La forma e il contenuto della Garanzia e tutti i diritti e gli obblighi derivanti dalla medesima sono definiti nel rispetto della legge tedesca.</p> <p>Priorità dei Titoli</p> <p>Le obbligazioni derivanti da Titoli costituiscono obbligazioni dirette e non garantite dell'Emittente che avranno pari priorità tra di esse e saranno senza preferenza rispetto a tutte le altre obbligazioni non garantite e non subordinate dell'Emittente, ad eccezione delle obbligazioni che hanno priorità dovuta a requisiti di legge obbligatori.</p> <p>Restrizioni ai diritti</p> <p>Nel rispetto del Regolamento, l'Emittente potrà procedere a rettifiche al verificarsi di determinati eventi al fine di riflettere cambiamenti rilevanti o eventi relativi allo specifico Sottostante (come definito nell'Elemento C.20 che segue) o potrà rimborsare i Titoli in casi straordinari. In caso di un rimborso straordinario, tutti i diritti degli investitori, come descritti in precedenza, cessano di esistere e sussiste il rischio che l'importo di rimborso straordinario sia pari a zero (0).</p> <p>Nel caso in cui si verifichi un evento di turbativa del mercato, si può verificare un ritardo nella valutazione dei Titoli con riferimento al Sottostante e ciò può influenzare il valore dei Titoli e/o causare un ritardo nel pagamento dell'Importo in Contanti. In tali casi l'Emittente può, a sua ragionevole discrezione, determinare un tasso, livello o prezzo per il Sottostante che sarà rilevante per la valutazione dei Titoli.</p> <p>L'Emittente ha il diritto di estinguere tutti i Titoli in via ordinaria mediante il pagamento del regolare importo di estinzione (che è calcolato allo stesso modo dell'Importo in Contanti) e di interrompere la durata dei Titoli.</p>
C.11	Ammissione alla negoziazione su un mercato regolamentato o altro mercato equivalente	<p>Sarà presentata richiesta di ammissione dei Titoli alla negoziazione sul mercato regolamentato Mercato Telematico dei Securities Derivatives ("SeDeX") di Borsa Italiana S.p.A. ("Borsa").</p> <p>I Titoli saranno ammessi alla negoziazione in data 6 giugno 2016.</p>
C.15	Descrizione di come il valore dell'investimento viene influenzato dal valore dello strumento sottostante	<p>In base alla tipologia dei Titoli, gli investitori possono partecipare all'andamento di un particolare sottostante senza dover acquistare il rispettivo sottostante (l' "Indice con Fattore") o lo strumento finanziario a cui questo è direttamente legato (lo "Strumento di Riferimento"). Lo Strumento di Riferimento è un (altro) indice, per informazioni più dettagliate si veda la sezione C.20. Date le varie caratteristiche dei Titoli, un investimento nei Titoli non è comparabile con un investimento diretto nel sottostante o nello Strumento di Riferimento.</p> <p>La principale caratteristica dei Certificati a Leva Costante è che, tenendo conto di un coefficiente, riproducono l'andamento del sottostante, cioè l'Indice con Fattore, su base uno a uno. L'Indice è creato, calcolato e pub-</p>

		<p>blicato da Bank Vontobel AG, Zurigo, una società collegata dell'Emittente. Esso è costituito da una componente a leva e da una componente di finanziamento.</p> <p>La componente a leva riproduce un investimento nello Strumento di Riferimento, con la conseguenza che i movimenti del prezzo dello Strumento di Riferimento sono moltiplicati per la leva ("Fattore"). Il Fattore è indicato al momento dell'inizio di un nuovo Indice con Fattore e rimane sempre uguale per l'intero periodo di calcolo dell'Indice con Fattore. Gli Indici con Fattore, pertanto, replicano un investimento teorico in uno Strumento di Riferimento, ma i movimenti del prezzo dello Strumento di Riferimento sono moltiplicati per il Fattore. Questo effetto leva ha un impatto sproporzionato sul valore dell'Indice con Fattore in caso di movimenti sia positivi sia negativi dello Strumento di Riferimento.</p> <p>La componente finanziaria riflette il costo del capitale che andrebbe sostenuto per finanziare il corrispondente investimento nello Strumento di Riferimento (o le sue componenti). Inoltre, una commissione è applicata dall'agente di calcolo dell'indice per il calcolo e la gestione dell'indice (la commissione per l'indice). La componente finanziaria, pertanto, riduce il valore dell'Indice con Fattore.</p> <p>L'Importo in Contanti per i Certificati a Leva Costante dipende dall'andamento del Sottostante e corrisponde al Prezzo di Riferimento (come definito alla sezione C.19) tenendo conto del Rapporto.</p> <p>Sottostante: 7X Long Index linked to FTSE MIB Index (per ulteriori dettagli, si veda C.20)</p> <p>Rapporto: 0,01</p> <p>Si vedano anche le informazioni specifiche per l'emissione alla sezione C.16.</p>
C.16	Data di scadenza o data di liquidazione	<p>I Certificati a Leva Costante non hanno una scadenza prefissata e pertanto non attribuiscono ai Portatori dei Titoli il diritto di chiedere il pagamento dell'importo in Contanti ad una data particolare, indicata in anticipo al momento dell'emissione, in base ad un particolare prezzo del Sottostante. Il calcolo e il (conseguente) pagamento dell'Importo in Contanti avvengono quando il Portatore dei Titoli esercita effettivamente i Titoli o quando l'Emittente estingue regolarmente i Titoli.</p> <p>Data di Valutazione: (a) in caso di valido esercizio da parte del Portatore dei Titoli, la relativa data di esercizio;</p> <p>(b) in caso di Estinzione Ordinaria determinata dall'Emittente, la data di estinzione ordinaria;</p> <p>(c) in altri casi 18 dicembre 2020 che corrispondano alla data in cui il diritto del titolo sarà esercitato automaticamente.</p> <p>Data di Scadenza: indica la Data di Valutazione.</p> <p>Data di Liquidazione: il quinto (5) giorno lavorativo successivo alla Data di Valutazione.</p>
C.17	Descrizione delle procedure di regolamento	<p>Gli importi dovuti sono calcolati dall'Agente di Calcolo e resi disponibili da parte dell'Emittente al Depositario Centrale alla Data di Liquidazione per il tramite degli Agenti di Pagamento al fine di procedere al successivo trasferimento alle rispettive banche custodi per l'accredito sui conti dei Portatori dei Titoli. Subito dopo l'Emittente sarà liberato da tutti gli obblighi di pa-</p>

		<p>gamento.</p> <p>Se un pagamento dovuto deve essere effettuato in un giorno che non sia un Giorno Lavorativo, tale pagamento può essere posticipato al Giorno Lavorativo immediatamente successivo.</p> <p>Agente di Calcolo: Bank Vontobel AG, Gotthardstrasse 43, 8002, Zurigo, Svizzera</p> <p>Agenti di Pagamento: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurigo, Svizzera; Bank Vontobel Europe AG, Alter Hof 5, 80331 Monaco, Germania; e BNP PARIBAS Securities Services, Succursale di Milano, Via Ansperto no. 5, 20123 Milano, Italia</p>
C.18	Descrizione del rimborso di titoli derivati	I Titoli sono rimborsati mediante il pagamento dell'Importo in Contanti. Ulteriori dettagli sui tempi del rimborso e su come l'importo è calcolato sono reperibili alle sezioni da C.15 a C.17.
C.19	Prezzo di esercizio/prezzo finale di riferimento del sottostante	<p>Il valore dell'Importo in Contanti dipende dal Prezzo di Riferimento del Sottostante alla Data di Valutazione.</p> <p>Il Prezzo di Riferimento è il prezzo di chiusura del Sottostante alla Data di Valutazione, come calcolato e pubblicato in conformità alla descrizione dell'indice.</p>
C.20	Descrizione del sottostante e dove possono essere reperite informazioni sul sottostante	<p>Il sottostante al quale i Titoli sono legati è 7X Long Index linked to FTSE MIB Index (il "Sottostante") che è strutturato e calcolato dall'agente di calcolo dell'indice.</p> <p>ISIN del Sottostante: CH0326601785</p> <p>Strumento di Riferimento: FTSE MIB Index</p> <p>Agente di calcolo dell'indice: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurigo, Svizzera</p> <p>Ulteriori informazioni sul Sottostante sono disponibili sul sito internet https://indices.vontobel.com e su Reuters <.CH0326601785>.</p>

Sezione D – Rischi		
D.2	Informazioni chiave sui rischi chiave relativi all'Emittente e al Garante	<p>Rischio di insolvenza dell'Emittente</p> <p>Gli investitori sono esposti al rischio di insolvenza e, di conseguenza, di illiquidità dell'Emittente. Vi è pertanto un rischio generale che l'Emittente non sia in grado di adempiere a tutte o parte delle sue obbligazioni derivanti dai Titoli. In questo caso c'è una minaccia di perdita finanziaria, che può essere totale, a prescindere dall'andamento del Sottostante.</p> <p>I Titoli non sono garantiti da un sistema di tutela dei depositi. Inoltre l'Emittente non è membro di un fondo di tutela dei depositi o di un sistema di tutela similare, che rimborserebbe i Portatori dei Titoli in tutto o in parte nel caso in cui l'Emittente diventi insolvente.</p> <p>Per tale ragione, gli investitori dovrebbero considerare il merito creditizio dell'Emittente nel momento in cui assumono una decisione di investimento. Il valore del capitale sociale dell'Emittente a garanzia della sua solvibilità è pari solamente a Euro 50.000. Un investimento nei Titoli espone, pertanto, l'investitore ad un rischio di credito significativamente maggiore rispetto al caso di un emittente con un livello di risorse di capitale più elevato.</p>

		<p>L'Emittente sottoscrive operazioni di copertura in derivati OTC (operazioni di copertura negoziate individualmente tra due parti) esclusivamente con altre società del Gruppo Vontobel. La conseguenza di questa mancanza di diversificazione è che l'Emittente è esposto ad un rischio di gruppo in relazione alla possibile insolvenza delle sue controparti, rischio che non si verificherebbe in caso di una selezione più ampia e diversificata dei partner contrattuali. L'illiquidità e l'insolvenza delle società collegate all'Emittente potrebbero inoltre direttamente causare l'illiquidità dell'Emittente.</p> <p>Rischio di mercato dell'Emittente</p> <p>Una situazione macroeconomica difficile potrebbe portare ad un'emissione di dimensione minore ed avere un impatto negativo sui risultati operativi dell'Emittente. A tal proposito, l'andamento generale del mercato dei titoli dipende in particolare dall'andamento dei mercati dei capitali che è a sua volta influenzato dalla situazione generale dell'economia globale e dal quadro economico e politico nei rispettivi paesi (noto come rischio di mercato).</p> <p>Rischio di insolvenza del Garante</p> <p>Gli investitori sono esposti al rischio di insolvenza del Garante. Vi è un rischio generale che il Garante non sia in grado di adempiere a tutte o parte delle sue obbligazioni derivanti dall'impegno di Garanzia. Per tale ragione, gli investitori, nel momento in cui assumono una decisione di investimento, dovrebbero considerare non solo il merito creditizio dell'Emittente, ma anche quello del Garante.</p> <p>Il Garante non è membro di un fondo di tutela dei depositi o di un sistema di tutela simile, che rimborserebbe i Portatori dei Titoli in tutto o in parte nel caso in cui il Garante diventi insolvente.</p> <p>Rischio connesso all'attività del Garante</p> <p>L'attività del Garante è influenzata dalle prevalenti condizioni di mercato. I fattori che influenzano l'attività del Garante possono essere causati dai rischi generali di mercato che derivano da movimenti sfavorevoli dei prezzi di mercato, quali tassi di interesse, tassi di cambio, prezzi delle azioni, prezzi delle materie prime e relative volatilità e hanno un impatto negativo sulla valutazione dei sottostanti e/o dei prodotti finanziari derivati.</p>
<p>D.3</p> <p>D.6</p>	<p>Informazioni chiave sui rischi chiave relative ai titoli/Rischio di perdita totale</p>	<p>Rischio di perdita dovuto alla dipendenza dall'andamento del Sottostante</p> <p>I Titoli sono strumenti finanziari il cui valore dipende dal valore di un altro elemento di riferimento, il "Sottostante". Il Sottostante è un Indice con Fattore il cui andamento è largamente dipendente, a sua volta, dall'andamento di un altro strumento finanziario, lo Strumento di Riferimento. In caso di Titoli legati a Indici con Fattore a posizione lunga, una diminuzione dello Strumento Finanziario di Riferimento è svantaggiosa per l'investitore.</p> <p>Gli investitori dovrebbero anche considerare che il Sottostante è strutturato in modo tale per cui l'andamento dello Strumento di Riferimento è incorporato nel calcolo del Sottostante insieme all'effetto leva. Una modifica dello Strumento Finanziario di Riferimento comporta un cambiamento sproporzionato del prezzo del Sottostante e quindi anche del prezzo dei Titoli. Di conseguenza, questi Titoli comportano sproporzionati rischi di perdita se lo Strumento Finanziario Sottostante e quindi anche il Sottostante si muove in una direzione sfavorevole dal punto di vista dell'investitore. In conseguenza</p>

	<p>del particolare metodo di calcolo dell'Indice con Fattore, movimenti bidirezionali dello Strumento di Riferimento possono anche comportare una diminuzione significativa del prezzo dell'Indice con Fattore e di conseguenza anche del Titolo.</p> <p>Non c'è garanzia che l'andamento del Sottostante o del suo Strumento di Riferimento corrisponderà alle aspettative dell'investitore. Se lo Strumento di Riferimento del Sottostante si muove in una direzione svantaggiosa per l'investitore, c'è un rischio di perdita, anche totale, dell'investimento.</p> <p>Rischi relativi ai prezzi di mercato</p> <p>Il prezzo dei Titoli dipende principalmente dal prezzo del rispettivo Sottostante a cui sono legati e del quale riproducono l'andamento dopo l'aggiustamento per il rapporto percentuale. Tutti i fattori positivi e negativi che hanno un impatto sul Sottostante (specialmente quelli relativi al rilevante Strumento di Riferimento e i rischi impliciti in un investimento in tale Strumento di Riferimento) si riflettono, quindi, in primo luogo, nel prezzo di un Titolo.</p> <p>Il prezzo dei Titoli può avere una performance negativa. Questa circostanza può essere causata – come descritto in precedenza – dall'andamento sfavorevole del prezzo del Sottostante a cui il Titolo è legato o da altri fattori che influiscono sul prezzo (quali la volatilità, il deterioramento del merito creditizio del Emittente e l'andamento dell'economia nel suo complesso).</p> <p>Rischi relativi all'opzione presente nei Titoli</p> <p>I Titoli descritti nel Prospetto di Base sono strumenti finanziari derivati che incorporano un diritto di opzione che può avere, pertanto, molte caratteristiche in comune con le opzioni. Le operazioni in opzioni possono comportare un alto livello di rischio. Un investimento nei Titoli può essere soggetto a fluttuazioni molto pronunciate nel valore e in alcune circostanze l'opzione incorporata diventerà completamente priva di valore a scadenza. In questa circostanza, l'investitore può perdere l'intero importo investito nei Titoli.</p> <p>Rischio di volatilità</p> <p>Un investimento in Titoli con Sottostanti (legati a Strumenti Finanziari di Riferimento) con un'alta volatilità è fondamentalmente più rischioso che un investimento in Titoli o Sottostanti con volatilità bassa poiché presenta una maggiore possibilità di incorrere in perdite.</p> <p>Rischi relativi all'andamento storico</p> <p>L'andamento di un Sottostante, del suo Strumento di Riferimento o di un Titolo in passato non indicativo del suo andamento in futuro.</p> <p>Rischi relativi al finanziamento dell'acquisto del Titolo mediante debito</p> <p>Dal momento che i Titoli non attribuiscono alcun profitto corrente (quale interessi o dividendi), gli investitori non devono presumere di essere in grado di utilizzare tale profitto corrente al fine di pagare interessi su finanziamenti le cui date di pagamento cadano durante la vita dei Titoli.</p> <p>Operazioni strutturate per escludere o limitare il rischio</p>
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	<p>Gli investitori possono non essere in grado di coprirsi adeguatamente contro i rischi associati ai Titoli.</p> <p>Rischio di inflazione</p> <p>L'inflazione ha un effetto negativo sul valore reale degli attivi detenuti e sul rendimento concretamente generato.</p> <p>Rischi dovuti al ciclo economico</p> <p>Perdite da crollo di prezzi possono verificarsi perché gli investitori non tengono conto dell'andamento ciclico dell'economia con le sue corrispondenti fasi al rialzo e al ribasso, o non lo fanno correttamente al momento di assumere le loro decisioni di investimento e, di conseguenza, effettuano investimenti, o detengono o vendono Titoli, in fasi del ciclo economico che sono sfavorevoli dal loro punto di vista.</p> <p>Rischio psicologico di mercato</p> <p>Fattori di natura psicologica possono avere una significativa influenza sul prezzo dei Sottostanti e di conseguenza sull'andamento dei Titoli. Se, a causa di tale effetto, il prezzo del Sottostante o del suo Strumento di Riferimento subisce un effetto contrario rispetto alle aspettative di mercato dell'investitore, l'investitore può soffrire una perdita.</p> <p>Rischi relativi alla negoziazione sui Titoli, rischio di liquidità</p> <p>Il Market Maker (come definito alla sezione E.3) si impegna a fornire prezzi di acquisto e di vendita sui Titoli relativi ad una emissione subordinatamente a normali condizioni di mercato.</p> <p>In caso di condizioni di mercato straordinarie o di mercati estremamente volatili, il Market Maker non fornirà alcun prezzo di acquisto e di vendita. Tuttavia, anche in presenza di condizioni di mercato regolari, il Market Maker non assume alcun impegno giuridico nei confronti dei Portatori dei Titoli di fornire tali prezzi e/o che i prezzi forniti dal Market Maker siano ragionevoli.</p> <p>Pertanto, i potenziali investitori non devono presumere che sarà possibile vendere i Titoli nel corso della loro durata e devono in ogni caso essere preparati a tenere i Titoli fino alla Data di Valutazione o, se applicabile, alla successiva Data di Esercizio in modo da ottenere il rimborso dei Titoli in conformità al Regolamento (trasmettendo una dichiarazione di esercizio).</p> <p>Rischi relativi alla determinazione del prezzo dei Titoli e all'effetto dei costi e delle commissioni dell'operazione</p> <p>Il Prezzo di Emissione (come definito alla sezione E.3) e il prezzo di vendita dei Titoli quotati nel mercato secondario possono includere un premio ulteriore rispetto al valore matematico originale dei Titoli (chiamato <i>fair value</i>) che non risulta evidente all'investitore. Il margine e il valore attuariale dei Titoli è determinato dall'Emittente e/o dal Market Maker a sua esclusiva discrezione sulla base di modelli di prezzo interni e di una serie di altri fattori. Tali fattori includono, <i>inter alia</i>, i seguenti parametri: il valore attuariale dei Titoli, il prezzo e la volatilità del Sottostante, l'offerta e la domanda dei Titoli, i costi per la copertura del rischio, il premio per l'assunzione del rischio, i costi di strutturazione e collocamento dei Titoli,</p>
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	<p>eventuali commissioni, così come eventuali corrispettivi di licenza e di gestione.</p> <p>Per le ragioni che precedono, i prezzi forniti dal Market Maker possono non corrispondere al valore attuariale dei Titoli e/o al prezzo che ci si potrebbe aspettare da un punto di vista commerciale.</p> <p>Rischi relativi alla tassazione dei Titoli</p> <p>Il pagamento di tasse, imposte, commissioni, detrazioni o altri importi relativi ai Titoli compete al relativo Portatore dei Titoli e non all'Emittente. Tutti i pagamenti effettuati dall'Emittente possono essere soggetti a tasse, imposte, commissioni, detrazioni o altri pagamenti che devono essere fatti, pagati, trattenuti o detratti.</p> <p>Rischi relativi all'effetto di operazioni di copertura da parte di società del Gruppo Vontobel</p> <p>Operazioni di copertura e negoziazione realizzate dall'emittente e da società del Gruppo Vontobel con riferimento allo Strumento di Riferimento di un Indice con Fattore possono avere un impatto negativo sul valore dei Titoli.</p> <p>Rischi relativi a rettifiche, turbative di mercato, estinzione straordinaria e regolamento</p> <p>L'Emittente o l'agente di calcolo dell'indice possono effettuare rettifiche al fine di riflettere modifiche rilevanti o eventi relativi al Sottostante o al suo Strumento di Riferimento. In questa sede non può essere esclusa la possibilità che una tale rettifica possa rivelarsi svantaggiosa per l'investitore. L'Emittente può anche avere il diritto di disdire i Titoli in via straordinaria e si può verificare il rischio che l'importo di disdetta straordinaria possa essere pari a zero (0). Nel caso meno favorevole, si può verificare una perdita totale dell'investimento.</p> <p>Rischio di disdetta da parte dell'Emittente</p> <p>L'Emittente ha un diritto di disdetta (anticipata) ordinaria e pertanto l'investitore affronta il rischio che l'Emittente disdetti e rimborsi i Titoli in un momento in cui l'investitore non avrebbe altrimenti venduto o esercitato i Titoli. Ciò può comportare che l'investitore non ottenga il guadagno sperato e subisca una perdita, anche totale, dell'investimento.</p> <p>In questo caso, i Portatori dei Titoli sopportano il rischio che le loro aspettative relative ad un aumento di valore dei Titoli non vengano più soddisfatte a causa della disdetta. In tali circostanze gli investitori possono non essere più in grado di reinvestire o possono essere in grado di reinvestire solamente a termini e condizioni meno favorevoli.</p> <p>L'Emittente ha altresì il diritto di disdire i Titoli in via straordinaria con gli stessi rischi per gli investitori del caso di disdetta ordinaria.</p> <p>Rischi di potenziali conflitti di interesse</p> <p>Conflitti di interesse possono esistere tra le società del Gruppo Vontobel (in particolare con riferimento al loro ruolo di agente di calcolo dell'indice) e parti terze a detrimento dell'investitore che possono avere un impatto sul valore dei Titoli. I principali conflitti di interesse possibili</p>
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		<p>sono indicati alla sezione E.4 che segue.</p> <p>Rischio di informativa</p> <p>Esiste la possibilità che gli investitori possano assumere decisioni scorrette a causa della mancanza, incompletezza o inesattezza delle informazioni, anche al di fuori del controllo dell'Emittente.</p> <p>Rischio di valuta</p> <p>Se la Valuta di Regolamento dei Titoli è diversa dalla valuta domestica dell'investitore o dalla valuta in cui l'investitore spera di ricevere pagamenti, i potenziali investitori sopportano rischi di tasso di cambio.</p> <p>Rischi relativi al calcolo e alla strutturazione del Sottostante</p> <p>In aggiunta all'effetto leva descritto in precedenza, potrebbero dover essere sostenuti costi (ad esempio costi di prestito titoli) e commissioni (ad esempio la commissione per l'indice), a seconda della struttura dell'Indice con Fattore e dello Strumento di Riferimento, che hanno altresì l'effetto di ridurre il valore dell'Indice con Fattore e quindi il livello del Sottostante.</p> <p>Rischio di perdita totale</p> <p>I Titoli sono strumenti di investimento particolarmente rischiosi, che combinano caratteristiche di operazioni in derivati con quelle di prodotti a leva. I Titoli sono dunque associati a sproporzionati rischi di perdita (rischio di perdita totale).</p> <p>Nel caso in cui si verifichi una perdita, questa consisterà nel prezzo pagato per i Titoli e i costi sostenuti, quali le commissioni per la custodia o l'intermediazione e/o le commissioni di borsa. Il rischio di perdita esiste a prescindere dalla situazione finanziaria dell'Emittente e del Garante.</p> <p>Non sono previsti regolari distribuzioni, pagamenti di interessi o un importo minimo di rimborso. La perdita del capitale può essere considerevole con il risultato che in certe circostanze gli investitori possono soffrire una perdita totale del loro investimento.</p>
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Sezione E – Offerta		
E.2b	Ragioni dell'offerta e utilizzo dei proventi	I proventi dell'emissione dei Titoli saranno utilizzati per il finanziamento delle attività ordinarie dell'Emittente. L'Emittente intende generare profitti dall'emissione e utilizzerà i profitti dell'emissione per coprirsi dai rischi derivanti dall'emissione.
E.3	Descrizione dei termini e condizioni dell'offerta	<p>Prezzo di Emissione: EUR 10,00</p> <p>Data di Emissione: 6 giugno 2016</p> <p>Data di Valuta: 6 giugno 2016</p> <p>Volume dell'Offerta: 7.500.000 Titoli</p> <p>Volume Minimo di Negoziazione: 1 Titolo</p> <p>Offerta al Pubblico: in Italia a partire da: 3 giugno 2016</p> <p>Il Prezzo di Emissione dei Titoli è stato determinato dal Market Maker.</p>
E.4	Interessi che sono rilevanti nell'emissione/off	Conflitti di interesse possono esistere tra società del Gruppo Vontobel e possono avere un effetto negativo sul valore del Sottostante e, di conseguenza, sul valore dei Titoli.

	<p>erta (ivi inclusi conflitti di interesse)</p>	<p><u>Operazioni di negoziazione riguardanti lo Strumento di Riferimento</u></p> <p>Durante la vita dei Titoli, le società del Gruppo Vontobel possono essere coinvolte in operazioni di negoziazione, per proprio conto o per conto dei clienti, che riguardano direttamente o indirettamente lo Strumento di Riferimento. Le società del Gruppo Vontobel possono altresì diventare controparti in operazioni di copertura relative alle obbligazioni dell'Emittente derivanti dai Titoli. Tali operazioni di negoziazione o di copertura possono avere un impatto negativo sul valore dello Strumento di Riferimento e di conseguenza un impatto negativo sul Sottostante e sul valore dei Titoli.</p> <p><u>Esercizio di altre funzioni da parte di società del Gruppo Vontobel</u></p> <p>Il Sottostante dei Titoli è un indice proprietario strutturato e calcolato da Bank Vontobel AG, Zurigo, una società collegata all'Emittente che agisce quale Agente di Calcolo dell'Indice. L'agente di calcolo dell'indice, di conseguenza, ha un'influenza diretta sul Sottostante e, pertanto, - in considerazione della dipendenza dei Titoli dall'andamento del Sottostante - anche sul valore dei Titoli.</p> <p>L'Emittente e le altre società del Gruppo Vontobel possono anche esercitare altre funzioni in relazione ai Titoli, quali ad esempio, agente di calcolo e/o market maker. Tale funzione può permettere all'Emittente e/o ad altre società del Gruppo Vontobel di determinare la composizione del Sottostante e di calcolare il suo valore. Queste funzioni possono anche causare conflitti di interesse, sia tra le varie società del Gruppo Vontobel sia tra queste e gli investitori, nella determinazione del prezzo dei Titoli e nel prendere altre decisioni associate ad essi.</p> <p><u>Attività di Market Maker per i Titoli</u></p> <p>Bank Vontobel Europe AG agirà quale market maker (il "Market Maker") per i Titoli. Nello svolgimento di tali attività di immissione di liquidità, il Market Maker - supportato dalle altre società del gruppo Vontobel - determinerà il prezzo dei Titoli sulla base di modelli interni di prezzo e di una serie di altri fattori.</p> <p>Di conseguenza, i prezzi fissati dal Market Maker possono differire significativamente dal <i>fair value</i> dei Titoli o dal valore che ci si aspetterebbe in termini economici in un dato momento. Inoltre il Market Maker può in ogni momento rivedere il metodo che utilizza per determinare i prezzi offerti, ad esempio riducendo o ampliando gli spread tra prezzi di acquisto e vendita.</p> <p><u>Pagamento di commissioni, interessi propri di terzi</u></p> <p>In relazione al collocamento e/o all'Offerta al Pubblico dei Titoli, l'Emittente o altre società del Gruppo Vontobel possono pagare commissioni a terzi. È possibile che tali terzi perseguano i propri interessi nel prendere una decisione di investimento o nel dare una raccomandazione di investimento.</p>
E.7	<p>Spese stimate addebitate all'investitore dall'Emittente o dall'Offerente</p>	<p>– non applicabile –</p> <p>L'investitore può acquistare i Titoli al Prezzo di Emissione o ai prezzi di vendita stabiliti dal Market Maker durante la vita dei Titoli. Questi prezzi includono tutti i costi sostenuti dall'Emittente, dall'Offerente e dal Market Maker per l'emissione e il collocamento dei Titoli (quali ad esempio costi di vendita e di collocamento, costi di strutturazione e di copertura, incluso un margine di profitto) (con riferimento alla riduzione del valore dei Ti-</p>

		<p>toli a causa della commissione per l'indice e, ove applicabile, della componente finanziaria, si veda la sezione C.15 che precede).</p> <p>Dettagli degli eventuali costi dell'operazione dovrebbero essere richiesti al rilevante partner commerciale o alla banca di fiducia o al broker dell'investitore. Nessuna ulteriore spesa oltre al Prezzo di Emissione o al prezzo di vendita verrà addebitata dall'Emittente o dall'Offerente all'investitore.</p>
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Final Terms

dated 3 June 2016

for

Constant Leverage Certificates
based on the
7X Short Index linked to FTSE MIB Index

ISIN DE000VN9AAR2

(the "**Securities**")

Vontobel Financial Products GmbH

Frankfurt am Main, Germany
(the "**Issuer**")

Bank Vontobel Europe AG

Munich, Germany
(in its capacity as offeror, the "**Offeror**" and in its capacity as guarantor, the "**Guarantor**", as the case may be)

These Final Terms were prepared for the purposes of Article 5 (4) of Directive 2003/71/EC and should be read in conjunction with the Base Prospectus (including any supplements) dated 3 May 2016. It should be noted that only the Base Prospectus dated 3 May 2016 and these Final Terms together contain all the information about the Issuer, the Guarantor and the Securities offered. The Base Prospectus, any supplements and these Final Terms are published on the Issuer's website (<https://certificates.vontobel.com>) whereby the Final Terms are accessible by entry of the respective ISIN on the page <https://certificates.vontobel.com> and the Base Prospectus and any supplements thereto are directly accessible on the page <https://certificates.vontobel.com> under the section <<Legal Documents>>. **A summary for the specific issue is appended to these Final Terms.**

The Base Prospectus dated 3 May 2016 is valid up to 6 May 2017 according to § 9 section 1 WpPG. In case a base prospectus has been prepared and approved which follows the respective current base prospectus, such base prospectus will be published on the website <https://certificates.vontobel.com> under the section <<Legal Documents>> on the last day of the validity of the respective current base prospectus at the latest.

These Final Terms were prepared for the purposes of the Public Offer of the Securities. The issue of the Securities is a new issue.

Securities identification numbers: ISIN: DE000VN9AAR2 / WKN: VN9AAR / Valor: 32496988

Total offer volume: 7,500,000 Securities

I. TERMS AND CONDITIONS

The information below completes the Terms and Conditions as laid out in chapter VIII. of the Base Prospectus dated 3 May 2016 by completing the specific features of the Securities to be offered under these Final Terms as follows:

Section 2 Definitions

Cash Amount	The Cash Amount shall correspond to the Reference Price of the Underlying on the Valuation Date multiplied by the Ratio.
Currency Conversion	<p>All cash amounts payable under the Securities shall – if Settlement Currency and the Currency of the Underlying differ – be converted into the Settlement Currency at the Conversion Rate.</p> <p>"Conversion Rate" means the relevant conversion rate between the Currency of the Underlying and the Settlement Currency, as determined by the European Central Bank for the Valuation Date and as retrievable on the website of the European Central Bank, www.ecb.int, under the heading "Euro Foreign Exchange Reference Rates".</p> <p>If such a Conversion Rate is not determined or published, the Calculation Agent shall specify the Conversion Rate applicable at the time of determination of the Reference Price on the Valuation Date in its reasonable discretion.</p>
Exercise Agent	shall mean BNP PARIBAS Securities Services, Milan Branch Via Ansperto no. 5 20123 Milan Italy Telephone: +39 02 7247 4156 – 4292 Fax: +39 02 7247 4130 – 4260
Exercise Cut-off Date	shall mean each first (1 st) Business Day before an Exercise Date.
Exercise Dates	shall mean any last Business Day in each month, commencing as of 30 June 2016.
Exercise Time	is 11:00 a.m. (Milan time)
Renouncement Cut-Off Time	Notice 11:00 a.m. (Milan time) on the first (1 st) Business Day following the Expiry Date (<i>Data di Scadenza</i>), if applicable in accordance with Borsa Italiana S.p.A. regulations applicable from time to time (please also see the form of renouncement notice set out at Annex of the Terms and Conditions).
Expiry Date (Data di Scadenza)	shall mean the Valuation Date.
Issue Date	6 June 2016
Issue Size	(up to) 7,500,000 Securities.
Maturity Date	shall be at the latest the fifth (5 th) Business Day following the Valuation Date.
Minimum Exercise Number	one (1) Security.
Ratio	The Ratio shall be expressed as a number and shall amount to 0,01.

Reference Price	The Reference Price shall be the relevant price of the Underlying for the purpose of determining and calculating the Cash Amount and shall correspond to the index closing value determined and published by the Index Calculation Agent on the Valuation Date.
Registry Type	Italian Uncertificated Securities
Settlement Currency	of the Securities shall mean EUR.
Termination Cut-Off Date	shall be thirty (30) days prior to the relevant Termination Date.
Termination Date	shall mean any last Business Day in each month, commencing as of 30 June 2016.
Underlying	7X Short Index linked to FTSE MIB Index ISIN: CH0326601827 Currency of the Underlying: EUR
Valuation Date	shall mean <ul style="list-style-type: none"> (a) in case of valid exercise by the Security Holder pursuant to section 4 of the Terms and Conditions the relevant Exercise Date; (b) in case of Ordinary Termination by the Issuer pursuant to section 5 of the Terms and Conditions the Ordinary Termination Date; (c) in other cases 18 December 2020 which is the date on which the Security Right is deemed to be exercised automatically pursuant to section 3 of the Terms and Conditions. <p>If the Valuation Date is not an Index Day, the Valuation Date shall be postponed to the next following Index Day.</p>

III. INDEX DESCRIPTION

Index name:	7X Short Index linked to FTSE MIB Index (the " Factor Index ")
Reference Instrument:	FTSE MIB Index
Index Calculation Agent:	Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland
Information Page:	https://indices.vontobel.com and Reuters page <.CH0326601827> (the latter containing index levels only)

The composition and calculation of the *Factor Index* specified above is described in the following. The *Index Calculation Agent* will make an index guide available on the *Information Page* for each *Factor Index*, containing this description together with the stipulations in the Final Terms. The index guide constitutes the basis for calculating and publishing the *Factor Index*.

A) Index description

The *Factor Index* reflects price movements in the *Reference Instrument* with a leverage factor of 7. A decrease in the price of the *Reference Instrument* since the most recent calculation of an *Index Closing Value* results in a positive change in the *Factor Index* as compared to the previous price of the *Factor Index* and vice versa. The *Factor Index* therefore replicates a "short" strategy.

The *Factor Index* consists of a leverage component and a financing component.

Leverage component

The leverage component inversely tracks an investment in the *Reference Instrument* (or its constituents and in accordance with its rules and regulations), whereby movements in the price of the *Reference Instrument* are multiplied by the *Leverage* (Factor). This leverage effect occurs with either positive or negative movements in the price of the *Reference Instrument*, having a disproportionate effect on the value of the *Factor Index*.

For example (leaving aside the financing component):

1. An increase in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in an decrease in the *Factor Index* by 7 x 2%;
2. A decrease in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in an increase in the *Factor Index* by 7 x 2%.

Financing component

The financing component reflects the expenses and earnings that would arise from acquiring the *Reference Instrument* (or its constituents), selling it and investing the proceeds at the risk-free rate. Additionally, a fee charged by the *Index Calculation Agent* for the calculation and administration of the *Factor Index* is added (*Index Fee* which reduces the value of the index).

If the acquisition costs and the *Index Fee* exceed the interest income based on the relevant *Interest Rate* on a particular day, the value of the *Factor Index* is reduced on such day.

B) Index definitions

The definitions below shall apply for the purposes of this index description.

"Adjustment Date" means the first Index Calculation Day of each calendar month.

"Extraordinary Adjustment Event" means any of the following events as they relate to the *Reference Instrument*:

- (a) Change, adjustment or other measure affecting the relevant concept and the calculation of the *Reference Instrument*, resulting, in the reasonable discretion of the *Index Calculation Agent*, in the relevant concept or the relevant calculation of the *Reference Instrument* no longer being comparable to those applicable on the *Index Start Date*. These factors are no longer comparable if, in particular, a change, adjustment or other measure results in a material change in the *Reference Instrument* despite the fact that the prices of the individual securities included in the *Reference Instrument* and their weightings remain the same.
- (b) Cancellation of the *Reference Instrument* and/or replacement by a different index concept; or
- (c) any other event which in the reasonable discretion of the *Index Calculation Agent* would have a comparable or similar impact on the calculation of the *Factor Index* in the event that no adjustment were to be made.

"Valuation Price" of the *Reference Instrument* for an *Index Calculation Day* means – subject to an *Extraordinary Adjustment* of the index calculation pursuant to section D) – the closing price of the *Reference Instrument*, as determined and published for that day by the *Reference Exchange*. If an *Index Calculation Day* falls on a day which is not a *Trading Day*, the *Valuation Price* of the immediately preceding *Index Calculation Day* shall continue to apply. If no *Valua-*

tion Price for the *Reference Instrument* is determined or published on a *Trading Day*, the *Index Calculation Agent* shall determine the *Valuation Price* of the *Reference Instrument* for that day on the basis of the most recent prices set for the *Reference Instrument* in its due discretion.

"**Dividend Method**" is either *individual* or *smoothed* (as described below).

In case of the "**individual**" *Dividend Method* the distributions of the constituents of the *Reference Instrument* are included in the index calculation individually. The relevant "**Dividend**" for the index calculation pursuant to section C) corresponds to the dividend of the company, exclusive of which a constituent of the *Reference Instrument* is traded on the *Ex-Dividend Date* on the *Trading Facility* which is – according to the *Reference Exchange's* concept – relevant for the calculation of the *Reference Instrument* ("**Trading Facility**"). For this purpose, the *Index Calculation Agent* takes into account the weighting of the respective constituent in the *Reference Instrument*. "**Ex-Dividend Date**" means the *Index Calculation Day* on which the respective constituent of the *Reference Instrument* trades "ex-dividend" on the *Trading Facility* for the first time.

In case of a "**flattened**" *Dividend Method* the distributions of the constituents of the *Reference Instrument* are not included in the index calculation individually. Instead, they are considered by means of a flattened amount which is taken into account for the index calculation on a continuous basis. Accordingly, the relevant "**Dividend**" for the index calculation pursuant to section C) in the case of this *Dividend Method* corresponds to an amount which is determined by the *Index Calculation Agent* in its reasonable discretion in order to reflect the expected distributions of the constituents of the *Reference Instrument* in the calculation of the index on each *Index Calculation Day* on a pro rata basis. For this purpose, the *Index Calculation Agent* particularly considers its dividend expectations (in relation to the constituents of the *Reference Instrument*) for up to the next three months following the respective *Index Calculation Day*. The *Index Calculation Agent* may adjust such *Dividend* in its reasonable discretion on any *Index Calculation Day*, particularly in the event of alternating dividend expectations.

On the *Index Start Date* the *individual Dividend Method* is applicable. The *Index Calculation Agent* is entitled to change the *Dividend Method* on each *Adjustment Date*. The revised *Dividend Method* shall take effect immediately as from the relevant *Adjustment Date*. A change in the *Dividend Method* shall be published by the *Index Calculation Agent* in accordance with section E).

"**Dividend Tax Factor**" is 1,0 on the *Index Start Date*. The *Index Calculation Agent* may change the *Dividend Tax Factor* in its reasonable discretion on any *Index Calculation Day* with prospective effect, if the tax laws applicable to the *Index Calculation Agent* change, resulting in a change in the amount of the – after tax – *Dividend* virtually accruing to it.

"**Financing Spread**" reflects the current annual cost on an *Index Calculation Day* of acquiring the *Reference Instrument* (or its constituents) via a securities lending and repurchase ("repo") transaction.

The *Financing Spread* on the *Index Start Date* corresponds to the *Initial Financing Spread*. The *Index Calculation Agent* then adjusts the "**Current Financing Spread**" in its due discretion on each *Adjustment Date* to reflect current market conditions and publishes it in accordance with section E) of this index description. The adjusted *Financing Spread* shall apply immediately as from the relevant *Adjustment Date*.

"**Initial Financing Spread**" is 0.4% per annum.

"**Trading Day**" means every day on which the *Reference Instrument* is calculated by the *Reference Exchange*.

"**Leverage**" is -7. It describes the impact that a change in the price of the *Reference Instrument* has on the relevant *Factor Index*. The negative sign for the *Leverage* indicates that the *Short Factor Index*

participates inversely in, i.e. in the opposite of, the performance of the *Reference Instrument*.

"Index Calculation Agent" means Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland.

"Index Calculation Day" means every day from Monday to Friday.

"Index Fee" means 1.0% per annum. The *Index Fee* is charged each calendar day, beginning as of the *Index Start Date*. It is calculated on the basis of a 360-day year and the most recently calculated *Index Closing Value*.

"Index Closing Value" is calculated for each *Index Calculation Day* by the *Index Calculation Agent* in accordance with section C) 1) of this index description on the basis of the *Valuation Price* of the *Reference Instrument* for this *Index Calculation Day* and published in accordance with section E) of this index description.

"Index Start Date" means 06.06.2016.

"Index Start Value" is 1'000 index points and represents the Index Closing Value on Index Calculation Day T=0 for the purposes of calculating the index in accordance with C).

"Index Currency" means EUR.

"Information Page" means <https://indices.vontobel.com>.

"Reference Instrument Price" corresponds at any time during the calculation period of the *Reference Instrument* to the price of the *Reference Instrument*, as calculated by the *Reference Exchange* and determined by the *Index Calculation Agent*.

"Reference Exchange" means Borsa Italiana.

"Reference Instrument" means FTSE MIB Index.

Index type:	Price index
Currency:	EUR
ISIN:	IT0003465736
Bloomberg symbol:	FTSEMIB Index

"Barrier" is 12%. It indicates the maximum permitted positive change in price of the *Reference Instrument* compared to its most recent *Valuation Price* before an *Intraday Index Adjustment* takes place.

"Derivatives Exchange" means Borsa Italiana.

"Interest Rate" means EONIA.

EONIA (Euro Over Night Index Average) is a weighted average interest rate for overnight interbank money calculated act/360 by the European Central Bank since 4 January 1999 on the basis of effective turnover.

If the *Interest Rate* is not set or published on an *Index Calculation Day*, the *Interest Rate* applied on the immediately preceding *Index Calculation Day* is used to calculate the index in accordance with section C).

If the *Interest Rate* has neither been set nor published for ten consecutive *Index Calculation Days*, the *Index Calculation Agent* has the right and obligation to stipulate in its reasonable discretion an alternative relevant *Interest Rate* which has functions comparable to the previous *Interest Rate*.


C) Index calculation

The *Factor Index* shall be calculated for the first time on the *Index Start Date*. The initial level of the index on the *Index Start Date* corresponds to the *Index Start Value*. The respective current index level is calculated by the *Index Calculation Agent* on a continuous basis during the trading period of the *Reference Instrument* on the *Reference Exchange* on each *Index Calculation Day*, rounded to two decimal places and published in accordance with section E).

One index point corresponds to one unit of the *Index Currency*.

C) 1) Index formula

The *Factor Index* is calculated for each time t during an *Index Calculation Day* T in accordance with the following formula:

$$IDX_t = IDX_{T-1} \times \left\{ 1 + L \times \left(\frac{R_t + \text{divf} \times \text{div}}{R_{T-1}} - 1 \right) + \left[(1 - L) \times IR_{T-1} + L \times FS_T - IG \right] \times \frac{d}{360} \right\}$$


where:

- T = current Index Calculation Day
- IDX_t = Index Value at time t on Index Calculation Day T
- IDX_{T-1} = Index Closing Value on Index Calculation Day $T-1$ which immediately precedes the current Index Calculation Day T
- L = Leverage (Factor): -7
- R_t = Reference Instrument Price at time t
- R_{T-1} = Valuation Price on Index Calculation Day $T-1$
- divf = Dividend Tax Factor
- div = Dividend on Index Calculation Day T . If the individual Dividend Method is used this amount is 0, except on the Ex-Dividend Date.
- IR_{T-1} = Interest Rate on Index Calculation Day $T-1$
- FS_T = Financing Spread on Index Calculation Day T
- IG = Index Fee
- d = Number of calendar days between Index Calculation Days $T-1$ and T

C) 2) Intraday Index Adjustment

If at time s on *Index Calculation Day* T the *Reference Instrument Price* (plus any *Dividend* multiplied by the *Dividend Tax Factor*: $R_s + \text{divf} \times \text{div}$) exceeds the most recent *Valuation Price* of the *Reference Instrument* by more than 12% (*Barrier*), an "**Intraday Index Adjustment**" takes place, simulating a new day:

$$\begin{aligned} s &= T, \text{ i.e. } IDX_{T-1} (\text{new}) = IDX_s \\ R_{T-1} (\text{new}) &= R_{T-1} (\text{old}) \times 1,12 - \text{divf} \times \text{div} \\ d &= 0 \end{aligned}$$

A new *Valuation Price* valid after time s ($R_{T-1} (\text{new})$) is calculated by multiplying the previous *Valuation Price* ($R_{T-1} (\text{old})$) by 1,12.

In addition, the net dividend is deducted (in the case of the *individual Dividend Method*, only if *Index Calculation Day* T is an *Ex-Dividend Date*). The *Dividend* and *Dividend Tax Factor* are no longer taken into account for the purposes of the index calculation in accordance with

section C) 1) on the new, simulated *Index Calculation Day*.

The *financing component* remains unchanged. No additional costs are incurred for the newly simulated day.

D) Extraordinary adjustment of the index calculation

In the event of an *Extraordinary Adjustment Event* occurring in relation to the *Reference Instrument*, the *Index Calculation Agent* will adjust the index calculation on the *Reference Date* (as defined below). The *Index Calculation Agent* will – to the extent possible – endeavor to calculate the *leverage component* as if no *Extraordinary Adjustment Event* had occurred.

The *Index Calculation Agent* will generally adjust the index calculation by correcting in its due discretion the relevant *Valuation Price* for the *Reference Instrument* on *Index Calculation Day T-1* on the *Reference Date*, in order to factor into the index calculation the adjustments made on the *Derivatives Exchange* for futures and options linked to the *Reference Instrument* traded there.

The *Index Calculation Agent* may adjust the index calculation in some other manner if it deems such adjustment necessary in its due discretion in order to reflect differences between this Index and the futures and options traded on the *Derivatives Exchange*. Such adjustments may in particular relate to the stipulation of a different *Reference Exchange*, *Derivatives Exchange* or *Reference Instrument Price*.

The list of *Extraordinary Adjustment Events* listed in section B) is not exhaustive. The deciding factor is whether the *Derivatives Exchange* deems an adjustments of the contract size, an underlying or the involvement of relevant *Reference Exchange* determining the price of the *Reference Instrument* to be necessary. If neither futures nor options linked to the *Reference Instrument* are traded on the *Derivatives Exchange*, the adjustment shall be made in a manner in which the *Derivatives Exchange* would do so if corresponding futures or options were traded there. In cases of doubt about the application of the modification rules of the *Derivatives Exchange*, the *Index Calculation Agent* shall decide such questions in its reasonable discretion. The rules and regulations of the *Derivatives Exchange* shall apply in addition to the provisions set out above.

If the *Reference Instrument* (Index) is cancelled or replaced by a different index concept, or if the license agreement between the *Reference Exchange* and the *Index Calculation Agent* cannot be renewed, the *Index Calculation Agent* determines – where appropriate by applying an adjusted *Reference Instrument Price* for the *Reference Instrument* at time t (R_t) – whether and which different index concept will be used in the future as a basis for calculating the *Factor Index*.

If the *Reference Instrument* is no longer calculated and determined and/or published by the *Reference Exchange* but by another person, company or institution that the *Index Calculation Agent* in its reasonable discretion considers to be suitable ("**Substitute Reference Exchange**"), then the *Factor Index* shall be calculated where applicable on the basis of the *Reference Instrument* calculated and published by the *Substitute Reference Exchange*. All references to the *Reference Exchange* contained in this index description shall be deemed to refer analogously to the *Substitute Reference Exchange*.

If in the reasonable discretion of the *Index Calculation Agent* it is not possible, for whatever reason, to stipulate a different relevant index concept, the leverage component shall remain unchanged and the index level shall be determined solely on the basis of the remaining components of the index formula.

"**Reference Date**" within the meaning of this index description is the first *Index Calculation Day*, on which the relevant futures or options are traded on the *Derivatives Exchange* after taking the adjustment into account, or would be so traded if corresponding futures or options were traded on the *Derivatives Exchange*.

Adjustments to the *Factor Index* and all further measures set forth in this section will be announced by the *Index Calculation Agent* in accordance with section E).

E) Notices

All notices pertaining to the *Factor Index* will be published on the *Information Page*. Such notices shall be deemed to have been given on the date on which they are first published.

Notices are made for informational purposes only and do not represent a precondition for legal effectiveness.

IV. FURTHER INFORMATION ON THE OFFER OF THE SECURITIES

1. Stock exchange listing and trading arrangements

Stock exchange listing:	Application is made for the Securities to be admitted to trading on the regulated market Mercato Telematico of securitised derivatives (" SeDeX ") of Borsa Italiana S.p.A. (" Borsa "). Expected first trading date: 6 June 2016
Last stock exchange trading day:	If terminated by the Issuer ordinarily: two trading days prior to the Ordinary Termination Date. If not terminated ordinarily: 14 December 2020
Minimum trading size:	One (1) Security

2. Terms of the offer

The Issue Price and the Value Date (*Data di Valuta*) of the Securities and the start of the Public Offer are specified below.

Issue Price:	EUR 10.00
Value Date (<i>Data di Valuta</i>):	6 June 2016
Public Offer:	in Italy starting from: 3 June 2016

The Public Offer will end with the term of the Securities, expected on 18 December 2020 or – in case a base prospectus which follows the respective current base prospectus has not been published on the website <https://certificates.vontobel.com> under the heading <<Legal Documents>> on the last day of validity of the respective current base prospectus at the latest – on the last day of the validity of the respective current base prospectus according to § 9 section 1 WpPG at the latest. The end of term of the Securities is specified in chapter II. (Terms and Conditions) of the Final Terms.

3. Publication of post-issuance information

With the exception of the notices specified in the Terms and Conditions, the Issuer does not intend to publish any post-issuance information.

APPENDIX - ISSUE-SPECIFIC 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 contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

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

Section A – Introduction and warnings		
A.1	Warnings	<p>The summary should be read as introduction to the base prospectus dated 3 May 2016 as supplemented (the "Base Prospectus" or the "Prospectus").</p> <p>Any decision to invest in the securities (the "Securities") should be based on a consideration of the Base Prospectus as a whole, including the information incorporated by reference together with any supplements and the Final Terms published in connection with the issue of the Securities.</p> <p>In the event that claims relating to the information contained in the Base Prospectus are brought before a court, the plaintiff investor might, under the national legislation of the states of the European Economic Area, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.</p> <p>Vontobel Financial Products GmbH (the "Issuer") and Bank Vontobel Europe AG (in its capacity as the offeror, the "Offeror" and in its capacity as the guarantor, the "Guarantor") have assumed responsibility for this summary including any translation thereof.</p> <p>Those persons which have assumed responsibility for this summary including any translation thereof, or persons responsible for the issue, can be held liable, but only in the event that the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus, or if, when read together with the other parts of the Base Prospectus, it does not provide all the key information required.</p>
	Consent to the use of the prospectus	The Issuer and the Offeror consent to the use of the Base Prospectus for a public offer of the Securities in Italy (" Public Offer ") (general consent).
	Offer period for resale by financial intermediaries	The subsequent resale and final placing of the Securities by financial intermediaries may take place during the period of validity of the Base Prospectus in accordance with § 9 of the German Securities Prospectus Act (<i>Wertpapierprospektgesetz</i> , " WpPG ") or – in case (i) a base prospectus which follows the Base Prospectus has been published on the website https://certificates.vontobel.com under the heading <<Legal Documents>> on the last day of validity of the Base Prospectus at the latest and (ii) the Securities are identified in the subsequent base prospectus – during the period of validity of such subsequent base prospectus according to § 9 section 1 WpPG.
	Conditions to which consent is linked	This consent by the Issuer and the Offeror is subject to the conditions (i) that the Base Prospectus and the Final Terms are provided to potential investors only together with all supplements published up to the time of such provision and (ii) that, in making use of the Base Prospectus and the

		Final Terms, the financial intermediary ensures that it complies with all applicable laws and legal requirements in force in the respective jurisdictions.
	Statement that information about the terms and conditions of the offer made by a financial intermediary must be made available by the latter	If the offer for the purchase of the Securities is made by a financial intermediary, the information about the terms and conditions of the offer must be made available by the respective financial intermediary at the time the offer is made.

Section B – Issuer and Guarantor		
B.1	Legal and commercial name	The legal and commercial name of the Issuer is Vontobel Financial Products GmbH.
B.2	Domicile, legal form, applicable legislation and country of incorporation	The domicile of the Issuer is Frankfurt am Main, Germany. Its business address is: Bockenheimer Landstraße 24, 60323 Frankfurt am Main, Germany. The Issuer is a limited liability company (<i>Gesellschaft mit beschränkter Haftung</i>) incorporated under German law in Germany and is registered with the commercial register of the local court (<i>Amtsgericht</i>) at Frankfurt am Main under the register number HRB 58515.
B.4b	Known trends	The Issuer's business is in particular affected by the economic development, especially in Germany and Europe, as well as by the overall conditions in the financial markets. In January 2016, the further significant decline in oil prices and the associated increased volatility in the financial markets marked substantial events. In addition, the political environment also affects the Issuer's business. Furthermore, possible regulatory changes may have a negative impact on the demand or the cost side for the Issuer.
B.5	Group structure and position of the Issuer within the group	The Issuer has no subsidiaries. All of the shares in the Issuer are held by Vontobel Holding AG, the parent company of the Vontobel group (the " Vontobel Group "). Established in 1924 and headquartered in Zurich, the Vontobel Group is a Swiss private bank with international activities. The Vontobel Group provides global financial services on the basis of the Swiss private banking tradition. The business units on which the Vontobel Group is focused are (i) Private Banking, (ii) Asset Management and (iii) Investment Banking.
B.9	Profit forecasts or estimates	– not applicable – A profit forecast or estimate has not been included.
B.10	Qualifications in the audit report on the historical financial information	– not applicable – There are no such qualifications.
B.12	Selected key historical financial information	The following selected financial information has been taken from the Issuer's audited financial statements for the financial years 2014 and 2015 which were prepared in accordance with the provisions of the German Commercial Code (<i>Handelsgesetzbuch</i>) and the German Law on Limited Liability Companies (<i>Gesetz betreffend die Gesellschaften mit beschränkter Haftung</i>).

		<p>tung).</p> <table> <tr> <th colspan="3">Balance sheet</th></tr> <tr> <th></th><th>31 December 2014 (EUR)</th><th>31 December 2015 (EUR)</th></tr> <tr> <td>Receivables from affiliated companies (current assets)</td><td>913,190,853</td><td>1,169,626,706</td></tr> <tr> <td>Bank balances (current assets)</td><td>3,168,102</td><td>2,149,684</td></tr> <tr> <td>Issuance liabilities (liabilities)</td><td>913,135,664</td><td>1,169,260,532</td></tr> <tr> <td>Capital reserves (equity)</td><td>2,000,000</td><td>2,000,000</td></tr> <tr> <td>Total assets</td><td>928,867,286</td><td>1,187,984,764</td></tr> </table> <table> <tr> <th colspan="3">Income statement</th></tr> <tr> <th></th><th>1 December to 31 December 2014 (EUR)</th><th>1 December to 31 December 2015 (EUR)</th></tr> <tr> <td>Realised and unrealised gains and losses from the issuance business</td><td>50,876,667</td><td>100,767,626</td></tr> <tr> <td>Realised and unrealised gains and losses from hedging transactions</td><td>-48,464,627</td><td>-97,519,664</td></tr> <tr> <td>Other operating expenses</td><td>1,738,983</td><td>2,489,626</td></tr> <tr> <td>Net income for the year</td><td>131,815</td><td>148,186</td></tr> </table> <p>Statement about the Issuer's prospects</p> <p>Statement about changes in the Issuer's position</p> <p>There have been no material adverse changes in the prospects of the Issuer since the reporting date for the audited annual financial statements (31 December 2015).</p> <p>– not applicable –</p> <p>No significant changes have occurred in the financial or trading position of the Issuer since the reporting date for the audited annual financial statements (31 December 2015).</p>	Balance sheet				31 December 2014 (EUR)	31 December 2015 (EUR)	Receivables from affiliated companies (current assets)	913,190,853	1,169,626,706	Bank balances (current assets)	3,168,102	2,149,684	Issuance liabilities (liabilities)	913,135,664	1,169,260,532	Capital reserves (equity)	2,000,000	2,000,000	Total assets	928,867,286	1,187,984,764	Income statement				1 December to 31 December 2014 (EUR)	1 December to 31 December 2015 (EUR)	Realised and unrealised gains and losses from the issuance business	50,876,667	100,767,626	Realised and unrealised gains and losses from hedging transactions	-48,464,627	-97,519,664	Other operating expenses	1,738,983	2,489,626	Net income for the year	131,815	148,186
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B.13	Recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.	<p>– not applicable –</p> <p>There have been no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.</p>																																							
B.14	Group structure and position of the Issuer within the group/ Dependence of the Issuer on other entities within the group	<p>With respect to the organizational structure, see B.5 above.</p> <p>– not applicable –</p> <p>The Issuer has no subsidiaries. Since all of the shares in the Issuer are held by Vontobel Holding AG, the parent company of the Vontobel Group, the Issuer is, however, dependent on Vontobel Holding AG.</p>																																							
B.15	Description of the Issuer's principal activities	The Issuer's principal activity is to issue securities and derivative securities and to carry out financial transactions and auxiliary transactions of financial transactions. Activities that require authorisation under the German Banking Act (<i>Gesetz über das Kreditwesen</i>) are excluded. The Issuer may furthermore conduct all business activities that are directly or indirectly relat-																																							

		ed to its main purpose and also carry out all activities that could directly or indirectly serve to promote the main purpose of the Issuer. The Issuer may also set up, acquire, or dispose of subsidiaries or branches in Germany and other countries, or acquire interests in other companies.
B.16	Interests in and control of the Issuer	<p>All of the shares in the Issuer are held by Vontobel Holding AG, the parent company of the Vontobel Group. There is no control agreement and no profit and loss transfer agreement between the Issuer and Vontobel Holding AG.</p> <p>With respect to interests in and control of Vontobel Holding AG, see B.19 with B.16.</p>
B.18	Description of the nature and scope of the guarantee	<p>The due payment by the Issuer of all amounts payable in accordance with the terms and conditions (the "Terms and Conditions") of the Securities issued under the Base Prospectus is guaranteed by the Guarantor.</p> <p>Upon first written demand by the respective security holders (the "Security Holders") and their written confirmation that an amount under the Securities has not been paid when due by the Issuer, the Guarantor shall pay to them all amounts required to fulfil the intent and purpose of the guarantee.</p> <p>The intent and purpose of the guarantee is to ensure that the Security Holders, under any and all circumstances, whether factual or legal, and irrespective of the validity or the enforceability of the obligations of the Issuer, or any other reasons on the basis of which the Issuer may fail to fulfil its payment obligations, receive on the respective due date any and all sums payable on the maturity date in accordance with the Terms and Conditions of the Securities.</p> <p>This guarantee constitutes a contract in favour of the Security Holders as third party beneficiaries pursuant to § 328 (1) of the German Civil Code (<i>Bürgerliches Gesetzbuch</i>). The form and content of this guarantee as well as all rights and duties arising therefrom are governed exclusively by the laws of Germany. Non-exclusive court of venue for all litigation with the Guarantor and arising from the legal relations established under the guarantee is Munich.</p>
B.19 with B.1	Legal and commercial name of the Guarantor	The Guarantor's legal and commercial name is Bank Vontobel Europe AG.
B.19 with B.2	Domicile, legal form, applicable legislation and country of incorporation of the Guarantor	<p>The Guarantor is domiciled in Munich, Germany. Its business address is: Alter Hof 5, 80331 Munich, Germany.</p> <p>The Guarantor is a stock corporation (<i>Aktiengesellschaft</i>) incorporated under German law in Germany. The Guarantor is registered with the commercial register of the local court (<i>Amtsgericht</i>) at Munich under the register number HRB 133419.</p>
B.19 with B.4b	Known trends relating to the Guarantor	The prospects of the Guarantor are influenced in context of the continuing business operations of the companies of the Vontobel-Group, by changes in the environment (markets, regulations), as well as by market, liquidity, credit and operational risks usually assumed with the launch of new activities (new products and services, new markets) and by reputational risks. In addition to the various market factors such as interest rates, credit spreads, exchange rates, prices of shares, prices of commodities and corresponding volatilities, the current monetary and interest rate policies of central banks are particularly to be mentioned as key influence factors.
B.19	Group structure	All shares of the Guarantor are held by the group parent company, Vonto-

with B.5	and position of the Guarantor within the group	bel Holding AG, Zurich, Switzerland. The Guarantor has no subsidiaries.																																													
B.19 with B.9	Profit forecasts or estimates of the Guarantor	– not applicable – A profit forecast or estimate has not been included.																																													
B.19 with B.10	Qualifications in the audit report of the Guarantor on historical financial information	– not applicable – There are no such qualifications.																																													
B.19 with B.12	Selected key historical financial information of the Guarantor	<p>The following selected financial information has been taken from the Guarantor's audited financial statements for the financial years 2014 and 2015 which were prepared in accordance with the applicable statutory provisions (German Stock Corporation Act (<i>Aktiengesetz</i>); German Commercial Code (<i>Handelsgesetzbuch</i>); and the German Accounting Directive for Banks and Financial Services Providers (<i>Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute</i>, "RechKredV")) as specified by the German Accounting Law Modernisation Act (<i>Bilanzrechtsmodernisierungsgesetz</i>). In accordance with § 1 RechKredV in conjunction with § 2 RechKredV, the Bank prepared its balance sheet using Form 1 and its income statement using Form 3 (vertical presentation format) with supplementary items.</p> <p>Balance sheet</p> <table border="1"> <thead> <tr> <th></th><th>31 December 2015 (audited) (in EUR thousand)</th><th>31 December 2014 (audited) (in EUR thousand)</th></tr> </thead> <tbody> <tr> <td>Total assets</td><td>259,514</td><td>208,435</td></tr> <tr> <td>Equity</td><td>75,996</td><td>53,462</td></tr> <tr> <td>Liabilities to banks</td><td>705</td><td>0</td></tr> <tr> <td>Liabilities to clients</td><td>171,394</td><td>145,892</td></tr> <tr> <td>Cash reserve</td><td>89,403</td><td>14,644</td></tr> <tr> <td>Receivables from banks</td><td>61,378</td><td>121,911</td></tr> <tr> <td>Receivables from customers</td><td>43,318</td><td>47,581</td></tr> <tr> <td>Debt instruments</td><td>55,568</td><td>20,473</td></tr> <tr> <td>Intangible fixed assets</td><td>76</td><td>78</td></tr> <tr> <td>Tangible fixed assets</td><td>559</td><td>674</td></tr> <tr> <td>Prepaid expenses</td><td>276</td><td>7</td></tr> <tr> <td>Other assets</td><td>8,936</td><td>3,067</td></tr> </tbody> </table> <p>Income Statement</p> <table border="1"> <thead> <tr> <th></th><th>Financial year 2015 (audited)</th><th>Financial year 2014 (audited)</th></tr> </thead> <tbody> <tr> <td></td><td></td><td></td></tr> </tbody> </table>		31 December 2015 (audited) (in EUR thousand)	31 December 2014 (audited) (in EUR thousand)	Total assets	259,514	208,435	Equity	75,996	53,462	Liabilities to banks	705	0	Liabilities to clients	171,394	145,892	Cash reserve	89,403	14,644	Receivables from banks	61,378	121,911	Receivables from customers	43,318	47,581	Debt instruments	55,568	20,473	Intangible fixed assets	76	78	Tangible fixed assets	559	674	Prepaid expenses	276	7	Other assets	8,936	3,067		Financial year 2015 (audited)	Financial year 2014 (audited)			
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	Statement about the Guarantor's prospects	There have been no material adverse changes in the prospects of the Guarantor since the reporting date for the most recent audited annual financial statements (31 December 2015).																		
	Statement about changes in the Guarantor's position	No significant changes have occurred in the financial or trading position of the Guarantor since the reporting date for the audited annual financial statements (31 December 2015).																		
B.19 with B.13	Recent events particular to the Guarantor which are to a material extent relevant to the evaluation of the Guarantor's solvency	<p>– not applicable –</p> <p>There have been no recent events particular to the Guarantor which are to a material extent relevant to the evaluation of the Guarantor's solvency.</p>																		
B.19 with B.14	<p>Group structure and position of the Guarantor within the group/</p> <p>Dependence of the Guarantor on other entities within the group</p>	<p>With respect to the organizational structure, see B.19 with B.5 above.</p> <p>The Guarantor has no subsidiaries. Since all of the shares in the Guarantor are held by Vontobel Holding AG, the parent company of the Vontobel Group, the Guarantor is, however, dependent on Vontobel Holding AG.</p>																		
B.19 with B.15	Description of the principal activities of the Guarantor	Pursuant to Article 2 of the Articles of Association dated 2 May 2010, the corporate purpose of the Company comprises the performance of banking activities covering deposit business, credit business, principal broking services, safe custody business, guarantee business, checking account business and underwriting business. Furthermore, the corporate purpose of the Company comprises the performance of financial services which comprises investment broking, investment advice, placement business, contract broking, financial portfolio management, proprietary trading, non-EEA deposit broking, rendering of banking related supporting services and all other business which may directly or indirectly support the object of the Company.																		
B.19 with B.16	Interests in and control of the Guarantor	All of the shares in the Guarantor are held by Vontobel Holding AG, the parent company of the Vontobel Group.																		

Section C – Securities		
C.1	Type and class of the securities, securities identification numbers	<p>The Securities (Constant Leverage Certificates) are securitized derivatives classified as 'leverage certificates' class B according to the current rules and instructions of Borsa Italiana S.p.A. Such Securities replicate, with a fixed leverage effect, the performance of the underlying.</p> <p>Form of the Securities</p> <p>The Securities are issued in uncertificated and dematerialised book-entry form pursuant to the Italian Financial Services Act (<i>Testo Unico della Finanza</i>) and cleared through and registered at Monte Titoli S.p.A., Piazza degli Affari, 6, 20123 Milan, Italy (the "Central Securities Depository") in accordance with the Legislative Decree No 213, dated 24 June 1998, the Legislative Decree No. 58, dated 24 February 1998 and the Rules governing central depositories, settlement services, guarantee systems and related management companies, issued by Bank of Italy and the Italian securities regulator (<i>Commissione Nazionale per le Società e la Borsa</i> - "CONSOB") on 22 February 2008. No physical securities, such as global temporary or permanent securities or definitive securities will be issued in respect of the Italian Uncertificated Certificates.</p> <p>Securities identification numbers</p> <p>ISIN: DE000VN9AAR2</p> <p>WKN: VN9AAR</p> <p>Valor: 32496988</p>
C.2	Currency of the issue	The currency of the Securities is EUR (the " Settlement Currency ").
C.5	Description of any restrictions on the transferability of the securities	<p>– not applicable –</p> <p>Each Security is freely transferable in accordance with applicable law and any rules and procedures for the time being of any clearing system through whose books such Security is transferred.</p>
C.8	Description of the rights attached to the securities including ranking and limitations to those rights	<p>Redemption on exercise or termination</p> <p>The Securities grant the Security Holder the right to require the Issuer to redeem the Securities on exercise or termination by the payment of a Cash Amount, as described in C.15.</p> <p>Governing law</p> <p>The form and content of the Securities as well as all rights and obligations of the Issuer and of the Security Holders are determined in accordance with German law, except that the legal effects of the registration of Securities with the Central Securities Depository is governed by, and construed in accordance with, Italian law.</p> <p>The form and content of the Guarantee and all rights and obligations arising from it are determined in accordance with German law.</p> <p>Ranking of the Securities</p> <p>The obligations arising from the Securities constitute direct and unsecured obligations of the Issuer that rank <i>pari passu</i> in relation to one another and in relation to all other unsecured and unsubordinated obligations of the Issuer, with the exception of obligations that have priority due to mandatory statutory requirements.</p> <p>Limitations to the rights</p> <p>In accordance with the Terms and Conditions, the Issuer may make adjust-</p>

		<p>ments upon the occurrence of defined events in order to reflect relevant changes or events relating to the respective Underlying (as defined in Element C.20 below), or may terminate the Securities extraordinarily. In the case of an extraordinary termination, all investors' rights as described above cease to exist and there is the risk that the extraordinary termination amount may be zero (0).</p> <p>In the event that a market disruption occurs, there may be a delay in valuing the Security in relation to the Underlying, and this may affect the value of the Securities and/or delay the payment of the Cash Amount. In such cases, the Issuer may, in its reasonable discretion, determine a rate, level or price for the Underlying that is relevant for the purposes of valuing the Securities.</p> <p>The Issuer has the right to terminate all of the Securities ordinarily by the payment of the ordinary termination amount (which is calculated in the same way as the Cash Amount) and to end the term of the Securities.</p>
C.11	Admission to trading on a regulated market or other equivalent markets	<p>Application will be made for the Securities to be admitted to trading on the regulated market Mercato Telematico of securitised derivatives ("SeDeX") of Borsa Italiana S.p.A. ("Borsa").</p> <p>The date on which the Securities are expected to be admitted to trading is 6 June 2016.</p>
C.15	Description of how the value of the investment is affected by the value of the underlying instrument	<p>On the basis of the Securities, investors can participate in the performance of a particular underlying without having to purchase the respective underlying (the "Factor Index") or the financial instrument to which it is linked (the "Reference Instrument") directly. The Reference Instrument is an (other) index, for more detailed information see C.20. Because of various features of the Securities, an investment in the Securities is not comparable to a direct investment in the underlying or the Reference Instrument.</p> <p>The principal characteristic of Constant Leverage Certificates is that, after allowing for the ratio, they reproduce the performance of the underlying, i.e. the Factor Index, on a one-to-one basis. The Factor Index is composed, calculated and published by Bank Vontobel AG, Zurich, a company affiliated to the Issuer. It consists of a leverage component and a financing component.</p> <p>The leverage component <u>inversely</u> tracks an investment in the Reference Instrument, whereby movements in the price of the Reference Instrument are multiplied by the leverage ("Factor"). The Factor is specified at the start of a new Factor Index and always remains unchanged for the entire calculation period of the Factor Index. Factor Indices therefore replicate a theoretical investment in a Reference Instrument, but movements in the price of the Reference Instrument are multiplied by the Factor. This leverage effect has a disproportionate effect on the value of the Factor Index in the case of both positive and negative movements in the Reference Instrument. The financing component reflects the expenses and earnings that would arise from acquiring the Reference Instrument (or its constituents), selling it and investing the proceeds at the risk-free rate. Additionally, a fee is charged by the index calculation agent for the calculation and administration of the Factor Index (index fee). If the acquisition costs and the index fee exceed the interest income based on the relevant rate of interest on a particular day, the financing component reduces the value of the Factor Index.</p> <p>The Cash Amount for the Constant Leverage Certificates is dependent on the performance of the Underlying and corresponds to the Reference Price</p>

		<p>(as defined in C.19) under consideration of the Ratio.</p> <p>Underlying: 7X Short Index linked to FTSE MIB Index (for further details, see C.20)</p> <p>Ratio: 0,01</p> <p>See also the issue-specific information under C.16.</p>
C.16	Expiration or maturity date	<p>Constant Leverage Certificates do not have a fixed term and therefore do not grant the Security Holder the right to demand payment of the Cash Amount on a particular date, specified in advance at the time of issue, based on a particular price of the Underlying. The calculation and (subsequent) payment of the Cash Amount takes place when the Security Holder exercises the Securities effectively or when the Issuer ordinarily terminates the Securities.</p> <p>Valuation Date: (a) in case of valid exercise by the Security Holder, the respective exercise date;</p> <p>(b) in case of an Ordinary Termination by the Issuer, the ordinary termination date;</p> <p>(c) in other cases 18 December 2020 which is the date on which the security right is deemed to be exercised automatically.</p> <p>Expiry Date (<i>Data di Scadenza</i>): shall mean the Valuation Date.</p> <p>Maturity Date: the fifth (5th) business day following the Valuation Date.</p>
C.17	Description of the settlement procedure	<p>Amounts due are calculated by the Calculation Agent and made available to the Central Securities Depository by the Issuer on the Maturity Date via the Paying Agents for onward transfer to the respective custodian banks for the purpose of crediting the Security Holders. The Issuer shall thereupon be released from all payment obligations.</p> <p>If a due payment is required to be made on a day that is not a Business Day, the payment may be postponed until the next following Business Day.</p> <p>Calculation Agent: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland</p> <p>Paying Agents: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland; Bank Vontobel Europe AG, Alter Hof 5, 80331 Munich, Germany; and BNP PARIBAS Securities Services, Milan Branch, Via Ansperto no. 5, 20123 Milan, Italy</p>
C.18	Description of redemption for derivative securities	<p>The Securities are redeemed by the payment of the Cash Amount. Further details of the timing of redemption and how the amount is calculated can be found under C.15 to C.17.</p>
C.19	Exercise price/ final reference price of the underlying	<p>The amount of the Cash Amount depends on the Reference Price of the Underlying on the Valuation Date.</p> <p>The Reference Price is the closing price of the Underlying on the Valuation Date, as calculated and published in accordance with the index description.</p>
C.20	Description of the underlying and where information on the underlying can be found	<p>The underlying to which the Securities are linked is the 7X Short Index linked to FTSE MIB Index (the “Underlying”) which is composed and calculated by the index calculation agent.</p> <p>ISIN Underlying: CH0326601827</p>

		<p>Reference Instrument: FTSE MIB Index</p> <p>Index calculation agent: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland</p> <p>Further information about the Underlying is available on the internet at https://indices.vontobel.com/ and on Reuters <.CH0326601827>.</p>
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Section D – Risks		
D.2	Key information on the key risks relating to the Issuer and the Guarantor	<p>Insolvency risk of the Issuer</p> <p>The investors are exposed to the risk of the insolvency and therefore the illiquidity of the Issuer. There is therefore a general risk that the Issuer will be unable to fulfil all or some of its obligations arising from the Securities. In this event there is a threat of financial loss up to and including a total loss, irrespective of the performance of the Underlying.</p> <p>The Securities are not covered by a deposit protection scheme. Furthermore, the Issuer is also not a member of a deposit protection fund or similar protection system, which would reimburse the Security Holders' claims in full or in part if the Issuer became insolvent.</p> <p>For this reason, investors should take into consideration the creditworthiness of the Issuer when making their investment decisions. The Issuer's liable share capital amounts to only EUR 50,000. A purchase of the Securities therefore exposes the investor to a significantly greater credit risk than in the case of an issuer with a higher level of capital resources.</p> <p>The Issuer enters into OTC hedging transactions (hedging transactions negotiated individually between two parties) exclusively with other companies within the Vontobel Group. As a result of this lack of diversification, the Issuer is exposed to cluster risk with respect to the possible insolvency of its counterparties, which would not be the case with a more widely diversified selection of contractual partners. Illiquidity or insolvency on the part of companies affiliated to the Issuer could therefore result directly in the illiquidity of the Issuer.</p> <p>Market risk of the Issuer</p> <p>A difficult macroeconomic situation may lead to a lower issue size and have a negative impact on the Issuer's results of operations. In this regard, the general market performance of securities depends in particular on the performance of the capital markets, which is in turn influenced by the general situation of the global economy and the economic and political framework in the respective countries (known as market risk).</p> <p>Insolvency risk of the Guarantor</p> <p>The investor bears the risk of the insolvency of the Guarantor. There is a general risk that the Guarantor will be unable to fulfil all or some of the obligations arising under the Guarantee undertaking. For this reason, investors should take into consideration not only the creditworthiness of the Issuer, but also the creditworthiness of the Guarantor when making their investment decisions.</p> <p>The Guarantor is not a member of a deposit protection fund or similar protection system, which would reimburse the Security Holders' claims in full or in part if the Guarantor became insolvent.</p> <p>Business risks relating to the Guarantor</p> <p>The Guarantor's business is influenced by the prevailing market conditions. The factors influencing the Guarantor's business may be caused by general</p>

		<p>market risks arising as a result of unfavourable movements in market prices, such as interest rates, exchange rates, share prices, commodity prices and the related volatilities, and have a negative impact on the valuation of the underlyings and/or derivative financial products.</p>
<p>D.3</p> <p>D.6</p>	<p>Key information on the key risks relating to the securities/ Risk of total loss</p>	<p>Risk of loss due to dependence on the performance of the Underlying</p> <p>The Securities are financial instruments whose value is derived from the value of another reference object, the "Underlying". The Underlying is a Factor Index whose performance is largely dependent in turn on the performance of another financial instrument, the Reference Instrument.</p> <p>In the case of Securities linked to Factor Indices of the short type, an increase of the Reference Instrument is disadvantageous for the investor.</p> <p>Investors should also bear in mind that the Underlying is designed in such a way that the performance of the Reference Instrument is incorporated in the calculation of the Underlying together with a leverage effect. A change in the Reference Instrument results in a disproportionate change in the price of the Underlying and therefore also in the price of the Securities. Consequently, these Securities entail disproportionate risks of loss if the Reference Instrument and therefore also the Underlying moves in a direction that is unfavourable from the point of view of the investor. As a result of the particular method of calculating the Factor Index, sideways movements in the Reference Instrument can also result in significant decrease of the price of the Factor Index and therefore also of the Security.</p> <p>There is no guarantee that the performance of the Underlying or its Reference Instrument will match the investor's expectations. If the Reference Instrument of the Underlying moves in a direction that is disadvantageous for the investor, there is a risk of loss up to and including a total loss.</p> <p>Market price risks</p> <p>The price of a Security depends primarily on the price of the respective Underlying to which it is linked and replicates its performance after adjusting for the ratio. All of the positive and negative factors affecting an Underlying (especially those relating to the relevant Reference Instrument and the risks entailed in an investment in such a Reference Instrument) are therefore also reflected in principle in the price of a Security.</p> <p>The price of the Securities may perform negatively. This may be caused – as described above – by the price of the Underlying to which the Security is linked moving in the unfavourable direction or by other factors affecting the price (such as the volatility, a deterioration in the Issuer's credit rating and the performance of the economy as a whole).</p> <p>Option risks with respect to the Securities</p> <p>The Securities described in the Base Prospectus are derivative financial instruments incorporating an option right which may therefore have many features in common with options. Transactions with options may involve a high level of risk. An investment in the Securities may be subject to very pronounced fluctuations in value and in some circumstances the embedded option will be completely worthless on expiry. In this event, the investor may lose the entire amount invested in the Securities.</p> <p>Volatility risk</p> <p>An investment in Securities with Underlyings (linked to Reference Instruments) with a high volatility is fundamentally more risky than an investment in Securities or Underlyings with low volatility since it entails greater</p>

		<p>potential for incurring losses.</p> <p>Risks relating to historical performance</p> <p>The performance of an Underlying, of its Reference Instrument or of a Security in the past is not an indicator of its performance in the future.</p> <p>Risks relating to financing the purchase of the Security with debt</p> <p>Since the Securities do not provide any current income (such as interest or dividends), investors must not assume that they will be able to use such current income to service any loan interest falling due during the term of the Securities.</p> <p>Transactions designed to exclude or limit risk</p> <p>Investors may not be able to hedge adequately against the risks associated with the Securities.</p> <p>Inflation risk</p> <p>Inflation has a negative effect on the real value of assets held and on the return generated in real terms.</p> <p>Risks due to the economic cycle</p> <p>Losses from a fall in prices may arise because investors do not take the cyclical performance of the economy with its corresponding upward and downward phases into account, or do not do so correctly, when making their investment decisions and consequently make investments, or hold or sell Securities, at phases of the economic cycle that are unfavourable from their point of view.</p> <p>Psychological market risk</p> <p>Factors of a psychological nature may also have a significant influence on the price of the Underlyings and therefore on the performance of the Securities. If, through such effect, the price of the Underlying or of its Reference Instrument is affected to the contrary of the market expectations of the investor, the investor may suffer a loss.</p> <p>Risks relating to trading in the Securities, liquidity risk</p> <p>The Market Maker (as defined in E.3) undertakes to provide bid and offer prices for the Securities pertaining to an issue subject to regular market conditions.</p> <p>In the event of extraordinary market conditions or extremely volatile markets, the Market Maker will not provide any bid and offer prices. However, even in the case of regular market conditions, the Market Maker does not assume any legal responsibility towards the Securities Holders to provide such prices and/or that such prices provided by the Market Maker are reasonable.</p> <p>Thus, potential investors must not assume that it will be possible to sell the Securities during their term and must in any case be prepared to hold the Securities until the Valuation Date or, if applicable, the next Exercise Date to redeem the Securities in accordance with the Terms and Conditions (by submitting an exercise notice).</p> <p>Risks relating to the price determination of the Securities and the effect of transaction costs and commissions</p> <p>The Issue Price (as defined in E.3) and the selling price for the Securities</p>
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		<p>quoted in the secondary market may include a premium over the original mathematical value of the Securities (so-called fair value) that is not apparent to the investor. This margin and the actuarial value of the Securities is determined by the Issuer and/or Market Maker at its own discretion on the basis of internal pricing models and a number of other factors. These factors include <i>inter alia</i> the following parameters: actuarial value of the Securities, price and volatility of the Underlying, supply and demand with regard to the Securities, costs for risk hedging, premium for risk assumption, costs for structuring and distribution of the Securities, commissions, if any, as well as licence fees or management fees, if any.</p> <p>For the aforesaid reasons, the prices provided by the Market Maker may deviate from the actuarial value of the Securities and/or the price to be expected from a commercial perspective.</p> <p>Risk relating to the taxation of the Securities</p> <p>The payment of taxes, levies, fees, deductions or other amounts incurred in connection with the Securities is the responsibility of the respective Security Holder and not of the Issuer. All payments made by the Issuer may be subject to taxes, levies, fees, deductions or other payments required to be made, paid, withheld or deducted.</p> <p>Risks relating to the effect of hedging transactions by companies of the Vontobel Group</p> <p>Hedging and trading transactions performed by the Issuer and by companies of the Vontobel Group in a Reference Instrument of a Factor Index may have a negative impact on the value of the Securities.</p> <p>Risks in connection with adjustments, market disruptions, extraordinary termination and settlement</p> <p>The Issuer or the index calculation agent may make adjustments in order to reflect relevant changes or events relating to the Underlying or its Reference Instrument. The possibility cannot be excluded in this context that an adjustment may prove to be disadvantageous for the investor. The Issuer may also be entitled to terminate the Securities extraordinarily. In the case of an extraordinary termination, all investors' redemption rights cease to exist and there is the risk that the extraordinary termination amount may be zero (0). In the least favourable case, a total loss of the capital invested may occur.</p> <p>Risk of termination by the Issuer</p> <p>The Issuer has an ordinary right of termination, and the investor therefore faces the risk that the Issuer may terminate and redeem the Securities at a time at which the investor would not otherwise have sold or exercised the Securities. This may result in the investor not achieving the desired return and may entail a loss up to and including a total loss.</p> <p>In this event, the Security Holders bear the risk that their expectations with respect to an increase in the value of the Securities can no longer be met due to their termination. In such cases investors may no longer be able to reinvest or may only be able to reinvest on less favourable terms and conditions.</p> <p>The Issuer also has an extraordinary termination right involving the same risks for investors as in the case of ordinary termination.</p> <p>Risks with respect to potential conflicts of interest</p>
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		<p>Conflicts of interest may exist among the companies of the Vontobel Group (in particular with respect to their function as index calculation agent) and third parties to the detriment of the investor which may affect the value of the Securities. The principal possible conflicts of interest are set out under E.4.</p> <p>Information risk</p> <p>There is a possibility that investors may make incorrect decisions because of missing, incomplete or incorrect information, which may be outside the Issuer's control.</p> <p>Currency risk</p> <p>If the Settlement Currency of the Securities is different from the domestic currency of the investor or the currency in which an investor wishes to receive payments, potential investors bear exchange rate risks.</p> <p>Risks relating to the calculation and design of the Underlying</p> <p>In addition to the leverage effect described above, costs (e.g. securities lending costs) and fees (e.g. an index fee) may be incurred, depending on the structure of the Factor Index and of the Underlying Reference Instrument, that also have the effect of reducing the value of the Factor Index and therefore the level of the Underlying.</p> <p>Risk of total loss</p> <p>The Securities are particularly risky investment instruments, which combine features of derivatives transactions with those of leveraged products. The Securities are therefore associated with disproportionate risks of loss (risk of total loss).</p> <p>If a loss arises, it will consist of the price paid for the Security and the costs incurred, such as custodian fees or brokerage and/or stock exchange commissions. This risk of loss exists irrespective of the financial condition of the Issuer and of the Guarantor.</p> <p>There is no provision for regular distributions, payments of interest or a minimum repayment amount. The loss of capital may be substantial with the result that in certain circumstances investors may suffer a total loss of their investment.</p>
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Section E – Offer		
E.2b	Reasons for the offer and use of proceeds	The proceeds from the issue of the Securities will be used to finance the Issuer's general business activities. The Issuer intends to generate profits from the issue and will also use the issue proceeds to hedge against risks arising from the issue.
E.3	Description of the terms and conditions of the offer	<p>Issue Price: EUR 10.00</p> <p>Issue Date: 6 June 2016</p> <p>Value Date (<i>Data di Valuta</i>): 6 June 2016</p> <p>Offer Size: 7,500,000 Securities</p> <p>Minimum Trading Volume: 1 Security</p> <p>Public Offer: in Italy starting from: 3 June 2016</p> <p>The Issue Price of the Securities was determined by the Market Maker.</p>
E.4	Interests that are material to the is-	Conflicts of interest may exist among the companies of the Vontobel Group that may have a negative effect on the value of the Underlying and

	<p>sue/offer (including conflicts of interest)</p>	<p>therefore the value of the Securities.</p> <p><u>Trading transactions relating to the Reference Instrument</u></p> <p>During the term of the Securities, the companies of the Vontobel Group may be involved in trading transactions, for their own account or for a customer's account, that directly or indirectly relate to the Reference Instrument. The companies of the Vontobel Group may also become counterparties in hedging transactions relating to the Issuer's obligations arising from the Securities. Such trading or hedging transactions may have a negative impact on the value of the Reference Instrument and thus have a negative impact on the Underlying and the value of the Securities.</p> <p><u>Exercise of other functions by companies of the Vontobel Group</u></p> <p>The Underlying of the Securities is a proprietary index composed and calculated by Bank Vontobel AG, Zurich, a company affiliated to the Issuer as Index Calculation Agent. The index calculation agent consequently has a direct influence on the Underlying and therefore – due to the dependence of the Securities on the performance of the Underlying – also on the value of the Securities.</p> <p>The Issuer and other companies of the Vontobel Group may also exercise other functions in relation to the Securities, e.g. as calculation agent and/or as market maker. Such function may enable the Issuer and/or other companies of the Vontobel Group to determine the composition of the Underlying or to calculate its value. These functions may also lead to conflicts of interest, both among the respective companies of the Vontobel Group and between these companies and the investors, in determining the prices of the Securities and in making other associated determinations.</p> <p><u>Activity as Market Maker for the Securities</u></p> <p>Bank Vontobel Europe AG will act as market maker (the "Market Maker") for the Securities. Through such liquidity providing activities, the Market Maker – supported by other companies of the Vontobel Group – will determine the price of the Securities on the basis of internal pricing models and a number of other factors.</p> <p>As a result, the prices set by the Market Maker may differ significantly from the fair value of the Securities or the value they would be expected to have in economic terms at a particular point in time. In addition, the Market Maker may at any time revise the method it uses to determine the prices quoted, e.g. by widening or narrowing the spreads between bid and offer prices.</p> <p><u>Payment of commissions, own interests of third parties</u></p> <p>In connection with the placing and/or the Public Offer of the Securities, the Issuer or other companies of the Vontobel Group may pay commissions to third parties. It is possible that these third parties may pursue their own interests in the course of making an investment decision or investment recommendation.</p>
E.7	<p>Estimated expenses charged to the investor by the Issuer or the Offeror</p>	<p>– not applicable –</p> <p>The investor may purchase the Securities at the Issue Price or at the selling prices quoted by the Market Maker during the term of the Securities. These prices include all costs incurred by the Issuer, Offeror and Market Maker for the issue and distribution of the Securities (e.g. sales and distribution costs, structuring and hedging costs, including a profit margin) (with respect to the reduction in value of the Securities due to the index</p>

		<p>fee and, where applicable, the financing component, see C.15 above).</p> <p>Details of any transaction costs should be requested from the relevant sales partner or from the investor's house bank or broker. No further expenses will be charged to the investor by the Issuer or the Offeror beyond the Issue Price or the selling price.</p>
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TRADUZIONE ITALIANA DEL NOTA DI SINTESI DELLA SPECIFICA EMISSIONE

Le note di sintesi sono composte dai requisiti d'informativa noti come "Elementi". Questi elementi sono numerati nelle Sezioni da A ad E (A.1 – E.7).

La presente Nota di Sintesi contiene tutti gli Elementi che devono essere inclusi in una nota di sintesi per questo tipo di titoli ed Emittente. Poiché certi Elementi non devono necessariamente essere trattati, possono esserci lacune nella sequenza della numerazione degli Elementi.

Sebbene un certo Elemento debba essere inserito in una nota di sintesi perché così richiesto dal tipo di titoli e di Emittente, può darsi che non possano essere fornite informazioni rilevanti in relazione a tale Elemento. In tal caso è inclusa nella nota di sintesi una breve descrizione dell'Elemento, con la menzione "non applicabile".

Sezione A – Introduzione e avvertenze		
A.1	Avvertenze	<p>La presente nota di sintesi dovrebbe essere letta quale introduzione al prospetto di base datato 3 maggio 2016 come supplementato (il "Prospetto di Base" o il "Prospetto").</p> <p>Ogni decisione di investire nei titoli (i "Titoli") dovrebbe basarsi sull'esame del Prospetto di Base nel suo insieme, ivi incluse le informazioni incorporate tramite riferimento, congiuntamente ad eventuali supplementi e alle Condizioni Definitive pubblicate con riferimento all'emissione dei Titoli.</p> <p>Qualora sia proposta un'azione davanti ad un'autorità giudiziaria in relazione alle informazioni contenute nel Prospetto di Base, l'investitore ricorrente potrebbe essere tenuto, a norma del diritto nazionale degli stati dello Spazio Economico Europeo in cui è proposta l'azione, a sostenere le spese di traduzione del Prospetto di Base prima dell'inizio del procedimento legale.</p> <p>Vontobel Financial Products GmbH (l'"Emittente") e Bank Vontobel Europe AG (in quanto offerente, l'"Offerente" e in quanto garante, il "Garante") hanno assunto la responsabilità per la presente nota di sintesi, ivi inclusa la relativa traduzione.</p> <p>La responsabilità civile incomberà soltanto sui soggetti che hanno assunto la responsabilità della presente nota di sintesi, inclusa ogni eventuale traduzione della stessa, ma soltanto qualora la nota di sintesi, sia fuorviante, imprecisa o non coerente quando letta congiuntamente alle altre parti del Prospetto di Base o non fornisca, quando letta congiuntamente alle altre parti del Prospetto di Base, le informazioni chiave richieste.</p>
A.2	Consenso all'utilizzo del prospetto	L'Emittente e l'Offerente acconsentono all'utilizzo del Prospetto di Base per un'offerta al pubblico dei Titoli in Italia (l'" Offerta al Pubblico ") (consenso generale).
	Periodo di offerta per la rivendita da parte di intermediari finanziari	La successiva rivendita e collocamento finale dei Titoli da parte di intermediari finanziari può avvenire durante il periodo di validità del Prospetto di Base nel rispetto del paragrafo § 9 della Legge Tedesca sul Prospetto di Strumenti Finanziari (Wertpapierprospektgesetz, "WpPG") o – in caso (i) un prospetto di base successivo al Prospetto di Base sia stato pubblicato sul sito internet https://certificates.vontobel.com sotto il titolo <<Documenti Legali>> (<<Legal Documents>>) al più tardi l'ultimo giorno di validità del Prospetto di Base e (ii) i Titoli siano identificati nel seguente prospetto di base – durante il periodo di validità di tale seguente prospetto

		di base ai sensi del § 9 comma 1 della Legge tedesca sul Prospetto dei Titoli (<i>WpPG</i>).
	Condizioni a cui è subordinato il consenso	Il consenso dell'Emittente e dell'Offerente è subordinato alle seguenti condizioni (i) che il Prospetto di Base e le Condizioni Definitive siano consegnati ai potenziali investitori solo congiuntamente a tutti i supplementi pubblicati fino al momento di tale consegna e (ii) che nell'utilizzare il Prospetto di Base e le Condizioni Definitive, l'intermediario finanziario assicuri il rispetto di tutte le leggi e i regolamenti applicabili in vigore nelle rispettive giurisdizioni.
	Dichiarazione dell'intermediario finanziario che le informazioni sui termini e condizioni dell'offerta devono essere messe a disposizione da parte di quest'ultimo	Se l'offerta di acquisto dei Titoli è promossa da un intermediario finanziario, le informazioni sui termini e condizioni dell'offerta devono essere messe a disposizione dal relativo intermediario finanziario nel momento in cui l'offerta è promossa.

Sezione B – Emittente e Garante		
B.1	Denominazione legale e commerciale	La denominazione legale e commerciale dell'Emittente è Vontobel Financial Products GmbH.
B.2	Domicilio, forma giuridica, legislazione applicabile, paese di costituzione	L'Emittente è domiciliato a Francoforte sul Meno, Germania. L'indirizzo della sede degli affari è: Bockenheimer Landstraße 24, 60323 Francoforte sul Meno, Germania. L'Emittente è una società a responsabilità limitata (<i>Gesellschaft mit beschränkter Haftung</i>) costituita in Germania ai sensi della legge tedesca ed è iscritta al registro delle imprese (<i>Amtsgericht</i>) di Francoforte sul Meno al numero HRB 58515.
B.4b	Informazioni sulle tendenze	L'attività del Emittente è particolarmente influenzata dall'andamento dell'economia, specialmente in Germania e in Europa, così come dalle condizioni globali dei mercati finanziari. Nel mese di gennaio 2016, l'ulteriore significativa diminuzione dei prezzi del petrolio e il connesso aumento della volatilità dei mercati finanziari hanno rappresentato eventi significativi. Inoltre, anche il quadro politico ha avuto un impatto sull'attività dell'Emittente. In aggiunta, possibili cambiamenti regolamentari potrebbero avere un'influenza negativa sulla domanda o sul lato dei costi dell'Emittente.
B.5	Descrizione del gruppo e posizione dell'Emittente nel gruppo	L'Emittente non ha società controllate. Tutte le azioni dell'Emittente sono detenute da Vontobel Holding AG, la capogruppo del gruppo Vontobel (il " Gruppo Vontobel "). Costituita nel 1924 e con sede principale a Zurigo, il Gruppo Vontobel è una banca svizzera privata con attività internazionali. Il Gruppo Vontobel fornisce servizi finanziari globali sulla base della tradizione bancaria privata svizzera. I settori di attività su cui il Gruppo Vontobel si concentra sono: (i) <i>Private Banking</i> , (ii) <i>Asset Management</i> e (iii) <i>Investment Banking</i> .
B.9	Previsione o stima	– non applicabile –

	degli utili	Non è stata inclusa alcuna previsione o stima degli utili.																																	
B.10	Natura di eventuali rilievi contenuti nella relazione dei revisori relativa ad informazioni finanziarie di esercizi passati	– non applicabile – Non ci sono tali riserve.																																	
B.12	Informazioni principali finanziarie selezionate di esercizi passati	<p>Le seguenti informazioni finanziarie selezionate sono state estratte dai bilanci certificati dell'Emittente per gli esercizi 2014 e 2015 che sono stati redatti secondo le previsioni del Codice Commerciale Tedesco (<i>Handelsgesetzbuch</i>) e della Legge Tedesca sulle Società a Responsabilità Limitata (<i>Gesetz betreffend die Gesellschaften mit beschränkter Haftung</i>).</p> <p>Stato Patrimoniale</p> <table> <tr> <th></th><th>31 dicembre 2014 (EUR)</th><th>31 dicembre 2015 (EUR)</th></tr> <tr> <td>Crediti finanziari verso società collegate (attivo corrente)</td><td>913.190.853</td><td>1.169.626.706</td></tr> <tr> <td>Saldi bancari (attivo corrente)</td><td>3.168.102</td><td>2.149.684</td></tr> <tr> <td>Passività da emissioni (passività)</td><td>913.135.664</td><td>1.169.260.532</td></tr> <tr> <td>Riserve di capitale (patrimonio netto)</td><td>2.000.000</td><td>2.000.000</td></tr> <tr> <td>Attivo Totale</td><td>928.867.286</td><td>1.187.984.764</td></tr> </table> <p>Conto Economico</p> <table> <tr> <th></th><th>Dal 1 dicembre a 31 dicembre 2014 (EUR)</th><th>Dal 1 dicembre a 31 dicembre 2015 (EUR)</th></tr> <tr> <td>Utili e perdite realizzati e non realizzati dall'attività di emissione</td><td>50.876.667</td><td>100.767.626</td></tr> <tr> <td>Utili e perdite realizzati e non realizzati da operazioni di copertura</td><td>-48.464.627</td><td>-97.519.664</td></tr> <tr> <td>Altri costi operativi</td><td>1.738.983</td><td>2.489.626</td></tr> <tr> <td>Utile netto d'esercizio</td><td>131.815</td><td>148.186</td></tr> </table> <p>Dichiarazioni sulle prospettive dell'Emittente</p> <p>Non si sono verificati mutamenti significativi nelle prospettive dell'Emittente dalla data della pubblicazione del bilancio annuale certificato (31 dicembre 2015).</p> <p>Dichiarazioni su cambiamenti nella posizione dell'Emittente</p> <p>– non applicabile –</p> <p>Non si sono verificati cambiamenti significativi nella posizione finanziaria o commerciale dell'Emittente dalla data della pubblicazione del bilancio annuale certificato (31 dicembre 2015).</p>		31 dicembre 2014 (EUR)	31 dicembre 2015 (EUR)	Crediti finanziari verso società collegate (attivo corrente)	913.190.853	1.169.626.706	Saldi bancari (attivo corrente)	3.168.102	2.149.684	Passività da emissioni (passività)	913.135.664	1.169.260.532	Riserve di capitale (patrimonio netto)	2.000.000	2.000.000	Attivo Totale	928.867.286	1.187.984.764		Dal 1 dicembre a 31 dicembre 2014 (EUR)	Dal 1 dicembre a 31 dicembre 2015 (EUR)	Utili e perdite realizzati e non realizzati dall'attività di emissione	50.876.667	100.767.626	Utili e perdite realizzati e non realizzati da operazioni di copertura	-48.464.627	-97.519.664	Altri costi operativi	1.738.983	2.489.626	Utile netto d'esercizio	131.815	148.186
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B.13	Eventi recenti relativi all'Emittente che siano sostanzialmente rilevanti	– non applicabile – Non si sono verificati eventi recenti relativi all'Emittente che siano sostanzialmente rilevanti per la valutazione della solvibilità dell'Emittente.																																	

	ti per la valutazione della solvibilità dell'Emittente.	
B.14	Struttura del gruppo e posizione dell'Emittente all'interno del gruppo/ Dipendenza dell'Emittente da altri enti all'interno del gruppo	<p>Con riferimento alla struttura organizzativa, si veda la sezione B.5 che precede.</p> <p>– non applicabile –</p> <p>L'Emittente non ha società controllate. Poiché tutte le azioni dell'Emittente sono detenute da Vontobel Holding AG, la capogruppo del Gruppo Vontobel, l'Emittente è, comunque, dipendente da Vontobel Holding AG.</p>
B.15	Descrizione delle principali attività dell'emittente	<p>L'attività principale dell'Emittente è l'emissione di titoli e strumenti finanziari derivati nonché la realizzazione di operazioni finanziarie e di operazioni ancillari a queste ultime. Sono escluse le attività che richiedono autorizzazione ai sensi della Legge Bancaria Tedesca (<i>Gesetz über das Kreditwesen</i>). L'Emittente può, inoltre, compiere tutte le attività che siano direttamente o indirettamente correlate con il proprio oggetto sociale principale nonché tutte quelle attività che potrebbero, direttamente o indirettamente, servire a promuoverlo. L'Emittente può, inoltre, costituire, acquistare o vendere società controllate o succursali in Germania e in altri paesi o acquisire partecipazioni in altre società.</p>
B.16	Partecipazioni e controllo dell'Emittente	<p>Tutte le azioni dell'Emittente sono detenute da Vontobel Holding AG, la capogruppo del Gruppo Vontobel. Non esistono accordi per il controllo o accordi di trasferimento di utili e perdite tra l'Emittente e Vontobel Holding AG.</p> <p>Con riferimento alle partecipazioni in, e al controllo su, Vontobel Holding AG, si veda la sezione B.19/B.16.</p>
B.18	Descrizione della natura e dello scopo della garanzia	<p>I pagamenti di tutti gli importi dovuti dall'Emittente in conformità a quanto previsto dal regolamento (il "Regolamento") dei Titoli emessi ai sensi del Prospetto di Base sono garantiti dal Garante.</p> <p>A prima richiesta scritta dei rispettivi portatori dei titoli (i "Portatori dei Titoli") e sulla base della loro conferma scritta che l'Emittente non abbia pagato un importo previsto ai sensi dei Titoli quando dovuto, il Garante pagherà loro tutte le somme richieste per adempiere all'oggetto e allo scopo della garanzia.</p> <p>L'oggetto e lo scopo della garanzia è di assicurare che i Portatori dei Titoli, in qualsiasi e ogni circostanza, di diritto o di fatto, e a prescindere dalla validità o dall'esigibilità delle obbligazioni dell'Emittente o per qualsiasi altra ragione per cui l'Emittente possa non essere in grado di adempiere ai propri obblighi di pagamento, ricevano alla data in cui sono dovute, qualsiasi e ogni somma pagabile alla data di liquidazione, secondo quanto previsto dal Regolamento dei Titoli.</p> <p>La presente garanzia costituisce un contratto a favore dei Portatori dei Titoli quali terzi beneficiari ai sensi del paragrafo § 328 (1) del Codice Civile Tedesco (<i>Bürgerliches Gesetzbuch</i>). La forma e il contenuto della presente garanzia, così come tutti i diritti e gli obblighi che derivano dalla stessa, sono regolati esclusivamente dalla legge tedesca. Il tribunale di Monaco</p>

		ha giurisdizione non esclusiva per tutte le controversie relative al Garante e alla garanzia.
B.19 / B.1	Denominazione legale e commerciale del Garante	La denominazione legale e commerciale del Garante è Bank Vontobel Europe AG.
B.19 / .2	Domicilio, forma giuridica, legislazione applicabile, paese di costituzione del Garante	Il Garante è domiciliato a Monaco, Germania. L'indirizzo della sede degli affari è Alter Hof 5, 80331 Monaco, Germania. Il Garante è una società per azioni (<i>Aktiengesellschaft</i>) costituita in Germania ai sensi della legge tedesca. Il Garante è iscritto al registro delle imprese (<i>Amtsgericht</i>) di Monaco al numero HRB 133419.
B.19 / B.4b	Informazioni sulle tendenze relative al Garante	Le prospettive del Garante sono influenzate, nel contesto delle continue operazioni commerciali delle società del Gruppo Vontobel, da cambiamenti nel quadro generale (mercati, regolamenti) così come dai rischi di mercato, di liquidità, di credito ed operativi solitamente assunti con il lancio di nuove attività (nuovi prodotti e servizi, nuovi mercati) e dai rischi reputazionali. In aggiunta ai vari fattori di mercato quali i tassi di interesse, gli spread di credito, i tassi di cambio, i prezzi delle azioni, i prezzi delle materie prime e le corrispondenti volatilità, devono essere menzionate quali fattori che hanno una influenza rilevante, in particolar modo, le attuali politiche monetarie e di tassi di interesse.
B.19 / B.5	Descrizione del gruppo e posizione del Garante nel gruppo	Tutte le azioni del Garante sono detenute dalla società controllante del gruppo, Vontobel Holding AG, Zurigo, Svizzera. La Società non ha controllate.
B.19 / B.9	Previsione o stima degli utili del Garante	– non applicabile – Non è stata inclusa alcuna previsione o stima degli utili.
B.19 / B.10	Natura di eventuali rilievi contenuti nella relazione dei revisori del Garante relative ad informazioni finanziarie di esercizi passati	– non applicabile – Non ci sono tali riserve.
B.19 / .12	Informazioni principali finanziarie sul Garante selezionate di esercizi passati	Le seguenti informazioni finanziarie selezionate sono state estratte dai bilanci consolidati certificati del Garante per gli esercizi 2014 e 2015 che sono stati redatti in conformità con la normativa applicabile in materia (legge Tedesca sulle Società per Azioni (<i>Aktiengesetz</i>); Codice Commerciale Tedesco (<i>Handelsgesetzbuch</i>); e la Direttiva Tedesca sul Sistema Contabile per Banche e Fornitori di Servizi Finanziari (<i>Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute</i> , " <i>RechKredV</i> ") come specificato dalla Legge Tedesca di Modernizzazione del Sistema Contabile (<i>Bilanzrechtsmodernisierungsgesetz</i>). In conformità con il paragrafo 1 del <i>RechKredV</i> congiuntamente al paragrafo § 2 del <i>RechKredV</i> , la Banca ha redatto il proprio stato patrimoniale utilizzando il Modello 1 e il proprio conto economico utilizzando il Modello 3 (format di presentazioni verticale) con voci supplementari.

		<table> <tr> <th>Stato Patrimoniale</th><th>31 dicembre 2015 (certificato) (in migliaia di Euro)</th><th>31 dicembre 2014 (certificato) (in migliaia di Euro)</th></tr> <tr><td>Attivo totale</td><td>259.514</td><td>208.435</td></tr> <tr><td>Capitale netto</td><td>75.996</td><td>53.462</td></tr> <tr><td>Debiti verso banche</td><td>705</td><td>0</td></tr> <tr><td>Debiti verso la clientela</td><td>171.394</td><td>145.892</td></tr> <tr><td>Riserva di cassa</td><td>89.403</td><td>14.644</td></tr> <tr><td>Crediti verso banche</td><td>61.378</td><td>121.911</td></tr> <tr><td>Crediti verso la clientela</td><td>43.318</td><td>47.581</td></tr> <tr><td>Strumenti di debito</td><td>55.568</td><td>20.473</td></tr> <tr><td>Immobilizzazioni immateriali</td><td>76</td><td>78</td></tr> <tr><td>Immobilizzazioni materiali</td><td>559</td><td>674</td></tr> <tr><td>Risconti attivi</td><td>276</td><td>7</td></tr> <tr><td>Altre attività</td><td>8.936</td><td>3.067</td></tr> </table> <table> <tr> <th>Conto Economico</th><th>Anno fiscale 2015 (certificato) (in migliaia di Euro)</th><th>Anno fiscale 2014 (certificato) (in migliaia di Euro)</th></tr> <tr><td>Interessi attivi da</td><td>1.208</td><td>1.150</td></tr> <tr><td>Interessi passivi</td><td>124</td><td>60</td></tr> <tr><td>Proventi da commissioni</td><td>27.863</td><td>17.983</td></tr> <tr><td>Altri proventi operativi</td><td>3.406</td><td>1.384</td></tr> <tr><td>Spese generali e amministrative</td><td>25.175</td><td>23.858</td></tr> </table>	Stato Patrimoniale	31 dicembre 2015 (certificato) (in migliaia di Euro)	31 dicembre 2014 (certificato) (in migliaia di Euro)	Attivo totale	259.514	208.435	Capitale netto	75.996	53.462	Debiti verso banche	705	0	Debiti verso la clientela	171.394	145.892	Riserva di cassa	89.403	14.644	Crediti verso banche	61.378	121.911	Crediti verso la clientela	43.318	47.581	Strumenti di debito	55.568	20.473	Immobilizzazioni immateriali	76	78	Immobilizzazioni materiali	559	674	Risconti attivi	276	7	Altre attività	8.936	3.067	Conto Economico	Anno fiscale 2015 (certificato) (in migliaia di Euro)	Anno fiscale 2014 (certificato) (in migliaia di Euro)	Interessi attivi da	1.208	1.150	Interessi passivi	124	60	Proventi da commissioni	27.863	17.983	Altri proventi operativi	3.406	1.384	Spese generali e amministrative	25.175	23.858
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	<p>Dichiarazioni sulle prospettive del Garante</p> <p>Dichiarazioni sui cambiamenti nella posizione del Garante</p>	<p>Non si sono verificati mutamenti significativi nelle prospettive del Garante dalla data della pubblicazione del bilancio annuale certificato più recente (31 dicembre 2015).</p> <p>Non si sono verificati cambiamenti significativi nella posizione finanziaria o commerciale del Garante dalla data della pubblicazione del bilancio annuale certificato (31 dicembre 2015).</p>																																																									
B.19 / B.13	Eventi recenti relativi al Garante che siano sostanzialmente rilevanti per la valutazione della solvibilità del Garante	<p>– non applicabile –</p> <p>Non si sono verificati eventi recenti relativi al Garante che siano sostanzialmente rilevanti per la valutazione della solvibilità del Garante.</p>																																																									
B.19 / B.14	Struttura del gruppo e posizione del Garante all'interno del gruppo/ Dipendenza del Garante da altri enti all'interno del gruppo	<p>Con riferimento alla struttura organizzativa, si veda la sezione B.19 / B.5 che precede.</p> <p>Il Garante non ha società controllate. Poiché tutte le azioni del Garante sono detenute da Vontobel Holding AG, la capogruppo del Gruppo Vontobel, il Garante è, comunque, dipendente da Vontobel Holding AG.</p>																																																									
B.19 con	Descrizione delle attività principali	Ai sensi dell'Articolo 2 dell'Atto Costitutivo del 2 maggio 2010, l'oggetto sociale della Società comprende lo svolgimento di attività bancarie, relative																																																									

B.15	del Garante	ad attività di deposito, attività di credito, servizi di <i>principal broking</i> , attività di custodia, attività di garanzia, attività di conto corrente e attività di sottoscrizione. L'oggetto della Società comprende, peraltro, la prestazione di servizi finanziari, incluso l' <i>investment broking</i> , la consulenza sugli investimenti, l'attività di collocamento, il <i>contract broking</i> , la gestione di portafogli finanziari, il trading proprietario, il <i>broking</i> di deposito non-EEA la prestazione di servizi bancari a supporto ed ogni altra attività atta a perseguire direttamente o indirettamente l'oggetto della Società.
B.19 / B.16	Partecipazioni in, e controllo del, Garante	Tutte le azioni del Garante sono detenute da Vontobel holding AG, la capogruppo del Gruppo Vontobel.

Sezione C – Titoli		
C.1	Tipo e classe dei titoli, codici di identificazione dei titoli	<p>I Titoli (Certificati a Leva Costante) sono derivati cartolarizzati definiti come "certificati a leva" di classe B in conformità con gli attuali regolamenti ed istruzioni di Borsa Italiana S.p.A. Questi Titoli replicano, con un effetto leva fisso, l'andamento del sottostante.</p> <p>Forma dei Titoli</p> <p>I Titoli non sono rappresentati da certificati e sono emessi in forma dematerializzata mediante scritture contabili ai sensi del Testo Unico della Finanza e sono accentrati e registrati presso Monte Titoli S.p.A. con sede legale in Piazza degli Affari, 6, 20123 Milano, Italia (il "Depositario Centrale") in ottemperanza a quanto previsto dal Decreto Legislativo n. 213 del 24 giugno 1998, dal Decreto Legislativo n. 58 del 24 febbraio 1998 e dal Regolamento recante la disciplina dei servizi di gestione accentrata, di liquidazione, dei sistemi di garanzia e delle relative società di gestione emanato da Banca d'Italia e dalla Commissione Nazionale per la Società e la Borsa ("CONSOB") il 22 febbraio 2008. Con riferimento ai Certificati Italiani non Rappresentati da Certificati, non saranno emessi titoli fisici, ovvero titoli globali temporanei o permanenti o definitivi.</p> <p>Codici identificativi dei Titoli</p> <p>ISIN: DE000VN9AAR2</p> <p>WKN: VN9AAR</p> <p>Valor: 32496988</p>
C.2	Valuta dell'emissione	La valuta dei Titoli è EUR (la " Valuta di Regolamento ").
C.5	Descrizione delle eventuali restrizioni alla trasferibilità dei titoli	<p>– non applicabile –</p> <p>Ciascun Titolo è liberamente trasferibile in conformità alla legge applicabile e alle vigenti regole e procedure di ogni sistema di gestione accentrata sui cui libri tale Titolo sia trasferito.</p>
C.8	Descrizione dei diritti connessi ai titoli, inclusa la priorità nell'ordine dei pagamenti e le restrizioni a tali	<p>Rimborso a seguito di esercizio o a scadenza</p> <p>I Titoli attribuiscono al Portatore dei Titoli il diritto di richiedere all'Emittente di rimborsare i Titoli a seguito di esercizio o a scadenza mediante il pagamento di un Importo in Contanti, come descritto alla sezione C.15.</p>

	diritti	<p>Legge applicabile</p> <p>La forma e il contenuto di Titoli così come tutti i diritti e gli obblighi dell'Emittente e dei Portatori dei Titoli sono definiti nel rispetto della legge tedesca per "Certificati Italiani non Rappresentati da Certificati": ad eccezione degli effetti giuridici della registrazione dei Titoli presso il Depositario Centrale che sono regolati dalla, e interpretati secondo la, legge italiana.</p> <p>La forma e il contenuto della Garanzia e tutti i diritti e gli obblighi derivanti dalla medesima sono definiti nel rispetto della legge tedesca.</p> <p>Priorità dei Titoli</p> <p>Le obbligazioni derivanti da Titoli costituiscono obbligazioni dirette e non garantite dell'Emittente che avranno pari priorità tra di esse e saranno senza preferenza rispetto a tutte le altre obbligazioni non garantite e non subordinate dell'Emittente, ad eccezione delle obbligazioni che hanno priorità dovuta a requisiti di legge obbligatori.</p> <p>Restrizioni ai diritti</p> <p>Nel rispetto del Regolamento, l'Emittente potrà procedere a rettifiche al verificarsi di determinati eventi al fine di riflettere cambiamenti rilevanti o eventi relativi allo specifico Sottostante (come definito nell'Elemento C.20 che segue) o potrà rimborsare i Titoli in casi straordinari. In caso di un rimborso straordinario, tutti i diritti degli investitori, come descritti in precedenza, cessano di esistere e sussiste il rischio che l'importo di rimborso straordinario sia pari a zero (0).</p> <p>Nel caso in cui si verifichi un evento di turbativa del mercato, si può verificare un ritardo nella valutazione dei Titoli con riferimento al Sottostante e ciò può influenzare il valore dei Titoli e/o causare un ritardo nel pagamento dell'Importo in Contanti. In tali casi l'Emittente può, a sua ragionevole discrezione, determinare un tasso, livello o prezzo per il Sottostante che sarà rilevante per la valutazione dei Titoli.</p> <p>L'Emittente ha il diritto di estinguere tutti i Titoli in via ordinaria mediante il pagamento del regolare importo di estinzione (che è calcolato allo stesso modo dell'Importo in Contanti) e di interrompere la durata dei Titoli.</p>
C.11	Ammissione alla negoziazione su un mercato regolamentato o altro mercato equivalente	<p>Sarà presentata richiesta di ammissione dei Titoli alla negoziazione sul mercato regolamentato Mercato Telematico dei Securities Derivatives ("SeDeX") di Borsa Italiana S.p.A. ("Borsa").</p> <p>I Titoli saranno ammessi alla negoziazione in data 6 giugno 2016.</p>
C.15	Descrizione di come il valore dell'investimento viene influenzato dal valore dello strumento sottostante	<p>In base alla tipologia dei Titoli, gli investitori possono partecipare all'andamento di un particolare sottostante senza dover acquistare il rispettivo sottostante (l' "Indice con Fattore") o lo strumento finanziario a cui questo è direttamente legato (lo "Strumento di Riferimento"). Lo Strumento di Riferimento è un (altro) indice, per informazioni più dettagliate si veda la sezione C.20. Date le varie caratteristiche dei Titoli, un investimento nei Titoli non è comparabile con un investimento diretto nel sottostante o nello Strumento di Riferimento.</p> <p>La principale caratteristica dei Certificati a Leva Costante è che, tenendo conto di un coefficiente, riproducono l'andamento del sottostante, cioè l'Indice con Fattore, su base uno a uno. L'Indice è creato, calcolato e pub-</p>

		<p>blicato da Bank Vontobel AG, Zurigo, una società collegata dell'Emittente. Esso è costituito da una componente a leva e da una componente di finanziamento.</p> <p>La componente a leva riproduce inversamente un investimento nello Strumento di Riferimento, con la conseguenza che i movimenti del prezzo dello Strumento di Riferimento sono moltiplicati per la leva ("Fattore"). Il Fattore è indicato al momento dell'inizio di un nuovo Indice con Fattore e rimane sempre uguale per l'intero periodo di calcolo dell'Indice con Fattore. Gli Indici con Fattore, pertanto, replicano un investimento teorico in uno Strumento di Riferimento, ma i movimenti del prezzo dello Strumento di Riferimento sono moltiplicati per il Fattore. Questo effetto leva ha un impatto sproporzionato sul valore dell'Indice con Fattore in caso di movimenti sia positivi sia negativi dello Strumento di Riferimento.</p> <p>La componente finanziaria riflette le spese e i guadagni che deriverebbero dall'acquisto dello Strumento di Riferimento (o le sue componenti), dalla vendita dello stesso e dall'investimento degli utili a un tasso a rischio zero. Inoltre, una commissione è applicata dall'agente di calcolo dell'indice per il calcolo e la gestione dell'indice (la commissione per l'indice). Se i costi di acquisto e la commissione per l'indice eccedono il margine di interesse calcolato in base al relativo tasso di interesse in un giorno particolare, la componente finanziaria riduce il valore dell'Indice con Fattore.</p> <p>L'Importo in Contanti per i Certificati a Leva Costante dipende dall'andamento del Sottostante e corrisponde al Prezzo di Riferimento (come definito alla sezione C.19) tenendo conto del Rapporto.</p> <p>Sottostante: 7X Short Index linked to FTSE MIB Index (per ulteriori dettagli, si veda C.20)</p> <p>Rapporto: 0,01</p> <p>Si vedano anche le informazioni specifiche per l'emissione alla sezione C.16.</p>
C.16	Data di scadenza o data di liquidazione	<p>I Certificati a Leva Costante non hanno una scadenza prefissata e pertanto non attribuiscono ai Portatori dei Titoli il diritto di chiedere il pagamento dell'importo in Contanti ad una data particolare, indicata in anticipo al momento dell'emissione, in base ad un particolare prezzo del Sottostante. Il calcolo e il (conseguente) pagamento dell'Importo in Contanti avvengono quando il Portatore dei Titoli esercita effettivamente i Titoli o quando l'Emittente estingue regolarmente i Titoli.</p> <p>Data di Valutazione: (a) in caso di valido esercizio da parte del Portatore dei Titoli, la relativa data di esercizio;</p> <p>(b) in caso di Estinzione Ordinaria determinata dall'Emittente, la data di estinzione ordinaria;</p> <p>(c) in altri casi 18 dicembre 2020 che corrispondano alla data in cui il diritto del titolo sarà esercitato automaticamente.</p> <p>Data di Scadenza: indica la Data di Valutazione.</p> <p>Data di Liquidazione: il quinto (5) giorno lavorativo successivo alla Data di Valutazione.</p>
C.17	Descrizione delle procedure di rego-	<p>Gli importi dovuti sono calcolati dall'Agente di Calcolo e resi disponibili da parte dell'Emittente al Depositario Centrale alla Data di Liquidazione per il tramite degli Agenti di Pagamento al fine di procedere al successivo trasfe-</p>

	lamento	<p>rimento alle rispettive banche custodi per l'accredito sui conti dei Portatori dei Titoli. Subito dopo l'Emittente sarà liberato da tutti gli obblighi di pagamento.</p> <p>Se un pagamento dovuto deve essere effettuato in un giorno che non sia un Giorno Lavorativo, tale pagamento può essere posticipato al Giorno Lavorativo immediatamente successivo.</p> <p>Agente di Calcolo: Bank Vontobel AG, Gotthardstrasse 43, 8002, Zurigo, Svizzera</p> <p>Agenti di Pagamento: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurigo, Svizzera; Bank Vontobel Europe AG, Alter Hof 5, 80331 Monaco, Germania; e BNP PARIBAS Securities Services, Succursale di Milano, Via Ansperto no. 5, 20123 Milano, Italia</p>
C.18	Descrizione del rimborso di titoli derivati	I Titoli sono rimborsati mediante il pagamento dell'Importo in Contanti. Ulteriori dettagli sui tempi del rimborso e su come l'importo è calcolato sono reperibili alle sezioni da C.15 a C.17.
C.19	Prezzo di esercizio/prezzo finale di riferimento del sottostante	<p>Il valore dell'Importo in Contanti dipende dal Prezzo di Riferimento del Sottostante alla Data di Valutazione.</p> <p>Il Prezzo di Riferimento è il prezzo di chiusura del Sottostante alla Data di Valutazione, come calcolato e pubblicato in conformità alla descrizione dell'indice.</p>
C.20	Descrizione del sottostante e dove possono essere reperite informazioni sul sottostante	<p>Il sottostante al quale i Titoli sono legati è 7X Short Index linked to FTSE MIB Index (il "Sottostante") che è strutturato e calcolato dall'agente di calcolo dell'indice.</p> <p>ISIN del Sottostante: CH0326601827</p> <p>Strumento di Riferimento: FTSE MIB Index</p> <p>Agente di calcolo dell'indice: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurigo, Svizzera</p> <p>Ulteriori informazioni sul Sottostante sono disponibili sul sito internet https://indices.vontobel.com e su Reuters <CH0326601827>.</p>

Sezione D – Rischi		
D.2	Informazioni chiave sui rischi chiave relativi all'Emittente e al Garante	<p>Rischio di insolvenza dell'Emittente</p> <p>Gli investitori sono esposti al rischio di insolvenza e, di conseguenza, di illiquidità dell'Emittente. Vi è pertanto un rischio generale che l'Emittente non sia in grado di adempiere a tutte o parte delle sue obbligazioni derivanti dai Titoli. In questo caso c'è una minaccia di perdita finanziaria, che può essere totale, a prescindere dall'andamento del Sottostante.</p> <p>I Titoli non sono garantiti da un sistema di tutela dei depositi. Inoltre l'Emittente non è membro di un fondo di tutela dei depositi o di un sistema di tutela simile, che rimborserebbe i Portatori dei Titoli in tutto o in parte nel caso in cui l'Emittente diventi insolvente.</p> <p>Per tale ragione, gli investitori dovrebbero considerare il merito creditizio dell'Emittente nel momento in cui assumono una decisione di investimento. Il valore del capitale sociale dell'Emittente a garanzia della sua solvibilità è pari solamente a Euro 50.000. Un investimento nei Titoli espone, pertanto, l'investitore ad un rischio di credito significativamente maggiore rispetto al</p>

		<p>caso di un emittente con un livello di risorse di capitale più elevato.</p> <p>L'Emittente sottoscrive operazioni di copertura in derivati OTC (operazioni di copertura negoziate individualmente tra due parti) esclusivamente con altre società del Gruppo Vontobel. La conseguenza di questa mancanza di diversificazione è che l'Emittente è esposto ad un rischio di gruppo in relazione alla possibile insolvenza delle sue controparti, rischio che non si verificherebbe in caso di una selezione più ampia e diversificata dei partner contrattuali. L'illiquidità e l'insolvenza delle società collegate all'Emittente potrebbero inoltre direttamente causare l'illiquidità dell'Emittente.</p> <p>Rischio di mercato dell'Emittente</p> <p>Una situazione macroeconomica difficile potrebbe portare ad un'emissione di dimensione minore ed avere un impatto negativo sui risultati operativi dell'Emittente. A tal proposito, l'andamento generale del mercato dei titoli dipende in particolare dall'andamento dei mercati dei capitali che è a sua volta influenzato dalla situazione generale dell'economia globale e dal quadro economico e politico nei rispettivi paesi (noto come rischio di mercato).</p> <p>Rischio di insolvenza del Garante</p> <p>Gli investitori sono esposti al rischio di insolvenza del Garante. Vi è un rischio generale che il Garante non sia in grado di adempiere a tutte o parte delle sue obbligazioni derivanti dall'impegno di Garanzia. Per tale ragione, gli investitori, nel momento in cui assumono una decisione di investimento, dovrebbero considerare non solo il merito creditizio dell'Emittente, ma anche quello del Garante.</p> <p>Il Garante non è membro di un fondo di tutela dei depositi o di un sistema di tutela simile, che rimborserebbe i Portatori dei Titoli in tutto o in parte nel caso in cui il Garante diventi insolvente.</p> <p>Rischio connesso all'attività del Garante</p> <p>L'attività del Garante è influenzata dalle prevalenti condizioni di mercato. I fattori che influenzano l'attività del Garante possono essere causati dai rischi generali di mercato che derivano da movimenti sfavorevoli dei prezzi di mercato, quali tassi di interesse, tassi di cambio, prezzi delle azioni, prezzi delle materie prime e relative volatilità e hanno un impatto negativo sulla valutazione dei sottostanti e/o dei prodotti finanziari derivati.</p>
<p>D.3</p> <p>D.6</p>	<p>Informazioni chiave sui rischi chiave relative ai titoli/Rischio di perdita totale</p>	<p>Rischio di perdita dovuto alla dipendenza dall'andamento del Sottostante</p> <p>I Titoli sono strumenti finanziari il cui valore dipende dal valore di un altro elemento di riferimento, il "Sottostante". Il Sottostante è un Indice con Fattore il cui andamento è largamente dipendente, a sua volta, dall'andamento di un altro strumento finanziario, lo Strumento di Riferimento. In caso di Titoli legati a Indici con Fattore a posizione corta, un incremento dello Strumento di Riferimento è svantaggioso per l'investitore.</p> <p>Gli investitori dovrebbero anche considerare che il Sottostante è strutturato in modo tale per cui l'andamento dello Strumento di Riferimento è incorporato nel calcolo del Sottostante insieme all'effetto leva. Una modifica dello Strumento Finanziario di Riferimento comporta un cambiamento sproporzionato del prezzo del Sottostante e quindi anche del prezzo dei Titoli. Di conseguenza, questi Titoli comportano sproporzionati rischi di perdita se lo Strumento Finanziario Sottostante e quindi anche il Sottostante si muove in una direzione sfavorevole dal punto di vista dell'investitore. In conseguenza</p>

	<p>del particolare metodo di calcolo dell'Indice con Fattore, movimenti bidirezionali dello Strumento di Riferimento possono anche comportare una diminuzione significativa del prezzo dell'Indice con Fattore e di conseguenza anche del Titolo.</p> <p>Non c'è garanzia che l'andamento del Sottostante o del suo Strumento di Riferimento corrisponderà alle aspettative dell'investitore. Se lo Strumento di Riferimento del Sottostante si muove in una direzione svantaggiosa per l'investitore, c'è un rischio di perdita, anche totale, dell'investimento.</p> <p>Rischi relativi ai prezzi di mercato</p> <p>Il prezzo dei Titoli dipende principalmente dal prezzo del rispettivo Sottostante a cui sono legati e del quale riproducono l'andamento dopo l'aggiustamento per il rapporto percentuale. Tutti i fattori positivi e negativi che hanno un impatto sul Sottostante (specialmente quelli relativi al rilevante Strumento di Riferimento e i rischi impliciti in un investimento in tale Strumento di Riferimento) si riflettono, quindi, in primo luogo, nel prezzo di un Titolo.</p> <p>Il prezzo dei Titoli può avere una performance negativa. Questa circostanza può essere causata – come descritto in precedenza – dall'andamento sfavorevole del prezzo del Sottostante a cui il Titolo è legato o da altri fattori che influiscono sul prezzo (quali la volatilità, il deterioramento del merito creditizio del Emittente e l'andamento dell'economia nel suo complesso).</p> <p>Rischi relativi all'opzione presente nei Titoli</p> <p>I Titoli descritti nel Prospetto di Base sono strumenti finanziari derivati che incorporano un diritto di opzione che può avere, pertanto, molte caratteristiche in comune con le opzioni. Le operazioni in opzioni possono comportare un alto livello di rischio. Un investimento nei Titoli può essere soggetto a fluttuazioni molto pronunciate nel valore e in alcune circostanze l'opzione incorporata diventerà completamente priva di valore a scadenza. In questa circostanza, l'investitore può perdere l'intero importo investito nei Titoli.</p> <p>Rischio di volatilità</p> <p>Un investimento in Titoli con Sottostanti (legati a Strumenti Finanziari di Riferimento) con un'alta volatilità è fondamentalmente più rischioso che un investimento in Titoli o Sottostanti con volatilità bassa poiché presenta una maggiore possibilità di incorrere in perdite.</p> <p>Rischi relativi all'andamento storico</p> <p>L'andamento di un Sottostante, del suo Strumento di Riferimento o di un Titolo in passato non indicativo del suo andamento in futuro.</p> <p>Rischi relativi al finanziamento dell'acquisto del Titolo mediante debito</p> <p>Dal momento che i Titoli non attribuiscono alcun profitto corrente (quale interessi o dividendi), gli investitori non devono presumere di essere in grado di utilizzare tale profitto corrente al fine di pagare interessi su finanziamenti le cui date di pagamento cadano durante la vita dei Titoli.</p> <p>Operazioni strutturate per escludere o limitare il rischio</p>
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	<p>Gli investitori possono non essere in grado di coprirsi adeguatamente contro i rischi associati ai Titoli.</p> <p>Rischio di inflazione</p> <p>L'inflazione ha un effetto negativo sul valore reale degli attivi detenuti e sul rendimento concretamente generato.</p> <p>Rischi dovuti al ciclo economico</p> <p>Perdite da crollo di prezzi possono verificarsi perché gli investitori non tengono conto dell'andamento ciclico dell'economia con le sue corrispondenti fasi al rialzo e al ribasso, o non lo fanno correttamente al momento di assumere le loro decisioni di investimento e, di conseguenza, effettuano investimenti, o detengono o vendono Titoli, in fasi del ciclo economico che sono sfavorevoli dal loro punto di vista.</p> <p>Rischio psicologico di mercato</p> <p>Fattori di natura psicologica possono avere una significativa influenza sul prezzo dei Sottostanti e di conseguenza sull'andamento dei Titoli. Se, a causa di tale effetto, il prezzo del Sottostante o del suo Strumento di Riferimento subisce un effetto contrario rispetto alle aspettative di mercato dell'investitore, l'investitore può soffrire una perdita.</p> <p>Rischi relativi alla negoziazione sui Titoli, rischio di liquidità</p> <p>Il Market Maker (come definito alla sezione E.3) si impegna a fornire prezzi di acquisto e di vendita sui Titoli relativi ad una emissione subordinatamente a normali condizioni di mercato.</p> <p>In caso di condizioni di mercato straordinarie o di mercati estremamente volatili, il Market Maker non fornirà alcun prezzo di acquisto e di vendita. Tuttavia, anche in presenza di condizioni di mercato regolari, il Market Maker non assume alcun impegno giuridico nei confronti dei Portatori dei Titoli di fornire tali prezzi e/o che i prezzi forniti dal Market Maker siano ragionevoli.</p> <p>Pertanto, i potenziali investitori non devono presumere che sarà possibile vendere i Titoli nel corso della loro durata e devono in ogni caso essere preparati a tenere i Titoli fino alla Data di Valutazione o, se applicabile, alla successiva Data di Esercizio in modo da ottenere il rimborso dei Titoli in conformità al Regolamento (trasmettendo una dichiarazione di esercizio).</p> <p>Rischi relativi alla determinazione del prezzo dei Titoli e all'effetto dei costi e delle commissioni dell'operazione</p> <p>Il Prezzo di Emissione (come definito alla sezione E.3) e il prezzo di vendita dei Titoli quotati nel mercato secondario possono includere un premio ulteriore rispetto al valore matematico originale dei Titoli (chiamato <i>fair value</i>) che non risulta evidente all'investitore. Il margine e il valore attuariale dei Titoli è determinato dall'Emittente e/o dal Market Maker a sua esclusiva discrezione sulla base di modelli di prezzo interni e di una serie di altri fattori. Tali fattori includono, <i>inter alia</i>, i seguenti parametri: il valore attuariale dei Titoli, il prezzo e la volatilità del Sottostante, l'offerta e la domanda dei Titoli, i costi per la copertura del rischio, il premio per l'assunzione del rischio, i costi di strutturazione e collocamento dei Titoli,</p>
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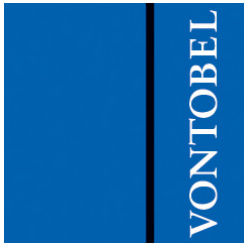
	<p>eventuali commissioni, così come eventuali corrispettivi di licenza e di gestione.</p> <p>Per le ragioni che precedono, i prezzi forniti dal Market Maker possono non corrispondere al valore attuariale dei Titoli e/o al prezzo che ci si potrebbe aspettare da un punto di vista commerciale.</p> <p>Rischi relativi alla tassazione dei Titoli</p> <p>Il pagamento di tasse, imposte, commissioni, detrazioni o altri importi relativi ai Titoli compete al relativo Portatore dei Titoli e non all'Emittente. Tutti i pagamenti effettuati dall'Emittente possono essere soggetti a tasse, imposte, commissioni, detrazioni o altri pagamenti che devono essere fatti, pagati, trattenuti o detratti.</p> <p>Rischi relativi all'effetto di operazioni di copertura da parte di società del Gruppo Vontobel</p> <p>Operazioni di copertura e negoziazione realizzate dall'emittente e da società del Gruppo Vontobel con riferimento allo Strumento di Riferimento di un Indice con Fattore possono avere un impatto negativo sul valore dei Titoli.</p> <p>Rischi relativi a rettifiche, turbative di mercato, estinzione straordinaria e regolamento</p> <p>L'Emittente o l'agente di calcolo dell'indice possono effettuare rettifiche al fine di riflettere modifiche rilevanti o eventi relativi al Sottostante o al suo Strumento di Riferimento. In questa sede non può essere esclusa la possibilità che una tale rettifica possa rivelarsi svantaggiosa per l'investitore. L'Emittente può anche avere il diritto di disdire i Titoli in via straordinaria e si può verificare il rischio che l'importo di disdetta straordinaria possa essere pari a zero (0). Nel caso meno favorevole, si può verificare una perdita totale dell'investimento.</p> <p>Rischio di disdetta da parte dell'Emittente</p> <p>L'Emittente ha un diritto di disdetta (anticipata) ordinaria e pertanto l'investitore affronta il rischio che l'Emittente disdetti e rimborsi i Titoli in un momento in cui l'investitore non avrebbe altrimenti venduto o esercitato i Titoli. Ciò può comportare che l'investitore non ottenga il guadagno sperato e subisca una perdita, anche totale, dell'investimento.</p> <p>In questo caso, i Portatori dei Titoli sopportano il rischio che le loro aspettative relative ad un aumento di valore dei Titoli non vengano più soddisfatte a causa della disdetta. In tali circostanze gli investitori possono non essere più in grado di reinvestire o possono essere in grado di reinvestire solamente a termini e condizioni meno favorevoli.</p> <p>L'Emittente ha altresì il diritto di disdire i Titoli in via straordinaria con gli stessi rischi per gli investitori del caso di disdetta ordinaria.</p> <p>Rischi di potenziali conflitti di interesse</p> <p>Conflitti di interesse possono esistere tra le società del Gruppo Vontobel (in particolare con riferimento al loro ruolo di agente di calcolo dell'indice) e parti terze a detrimento dell'investitore che possono avere un impatto sul valore dei Titoli. I principali conflitti di interesse possibili</p>
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		<p>sono indicati alla sezione E.4 che segue.</p> <p>Rischio di informativa</p> <p>Esiste la possibilità che gli investitori possano assumere decisioni scorrette a causa della mancanza, incompletezza o inesattezza delle informazioni, anche al di fuori del controllo dell'Emittente.</p> <p>Rischio di valuta</p> <p>Se la Valuta di Regolamento dei Titoli è diversa dalla valuta domestica dell'investitore o dalla valuta in cui l'investitore spera di ricevere pagamenti, i potenziali investitori sopportano rischi di tasso di cambio.</p> <p>Rischi relativi al calcolo e alla strutturazione del Sottostante</p> <p>In aggiunta all'effetto leva descritto in precedenza, potrebbero dover essere sostenuti costi (ad esempio costi di prestito titoli) e commissioni (ad esempio la commissione per l'indice), a seconda della struttura dell'Indice con Fattore e dello Strumento di Riferimento, che hanno altresì l'effetto di ridurre il valore dell'Indice con Fattore e quindi il livello del Sottostante.</p> <p>Rischio di perdita totale</p> <p>I Titoli sono strumenti di investimento particolarmente rischiosi, che combinano caratteristiche di operazioni in derivati con quelle di prodotti a leva. I Titoli sono dunque associati a sproporzionati rischi di perdita (rischio di perdita totale).</p> <p>Nel caso in cui si verifichi una perdita, questa consisterà nel prezzo pagato per i Titoli e i costi sostenuti, quali le commissioni per la custodia o l'intermediazione e/o le commissioni di borsa. Il rischio di perdita esiste a prescindere dalla situazione finanziaria dell'Emittente e del Garante.</p> <p>Non sono previsti regolari distribuzioni, pagamenti di interessi o un importo minimo di rimborso. La perdita del capitale può essere considerevole con il risultato che in certe circostanze gli investitori possono soffrire una perdita totale del loro investimento.</p>
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Sezione E – Offerta		
E.2b	Ragioni dell'offerta e utilizzo dei proventi	I proventi dell'emissione dei Titoli saranno utilizzati per il finanziamento delle attività ordinarie dell'Emittente. L'Emittente intende generare profitti dall'emissione e utilizzerà i profitti dell'emissione per coprirsi dai rischi derivanti dall'emissione.
E.3	Descrizione dei termini e condizioni dell'offerta	<p>Prezzo di Emissione: EUR 10,00</p> <p>Data di Emissione: 6 giugno 2016</p> <p>Data di Valuta: 6 giugno 2016</p> <p>Volume dell'Offerta: 7.500.000 Titoli</p> <p>Volume Minimo di Negoziazione: 1 Titolo</p> <p>Offerta al Pubblico: in Italia a partire da: 3 giugno 2016</p> <p>Il Prezzo di Emissione dei Titoli è stato determinato dal Market Maker.</p>
E.4	Interessi che sono rilevanti nell'emissione/off	Conflitti di interesse possono esistere tra società del Gruppo Vontobel e possono avere un effetto negativo sul valore del Sottostante e, di conseguenza, sul valore dei Titoli.

	<p>erta (ivi inclusi conflitti di interesse)</p>	<p><u>Operazioni di negoziazione riguardanti lo Strumento di Riferimento</u></p> <p>Durante la vita dei Titoli, le società del Gruppo Vontobel possono essere coinvolte in operazioni di negoziazione, per proprio conto o per conto dei clienti, che riguardano direttamente o indirettamente lo Strumento di Riferimento. Le società del Gruppo Vontobel possono altresì diventare controparti in operazioni di copertura relative alle obbligazioni dell'Emittente derivanti dai Titoli. Tali operazioni di negoziazione o di copertura possono avere un impatto negativo sul valore dello Strumento di Riferimento e di conseguenza un impatto negativo sul Sottostante e sul valore dei Titoli.</p> <p><u>Esercizio di altre funzioni da parte di società del Gruppo Vontobel</u></p> <p>Il Sottostante dei Titoli è un indice proprietario strutturato e calcolato da Bank Vontobel AG, Zurigo, una società collegata all'Emittente che agisce quale Agente di Calcolo dell'Indice. L'agente di calcolo dell'indice, di conseguenza, ha un'influenza diretta sul Sottostante e, pertanto, - in considerazione della dipendenza dei Titoli dall'andamento del Sottostante - anche sul valore dei Titoli.</p> <p>L'Emittente e le altre società del Gruppo Vontobel possono anche esercitare altre funzioni in relazione ai Titoli, quali ad esempio, agente di calcolo e/o market maker. Tale funzione può permettere all'Emittente e/o ad altre società del Gruppo Vontobel di determinare la composizione del Sottostante e di calcolare il suo valore. Queste funzioni possono anche causare conflitti di interesse, sia tra le varie società del Gruppo Vontobel sia tra queste e gli investitori, nella determinazione del prezzo dei Titoli e nel prendere altre decisioni associate ad essi.</p> <p><u>Attività di Market Maker per i Titoli</u></p> <p>Bank Vontobel Europe AG agirà quale market maker (il "Market Maker") per i Titoli. Nello svolgimento di tali attività di immissione di liquidità, il Market Maker - supportato dalle altre società del gruppo Vontobel - determinerà il prezzo dei Titoli sulla base di modelli interni di prezzo e di una serie di altri fattori.</p> <p>Di conseguenza, i prezzi fissati dal Market Maker possono differire significativamente dal <i>fair value</i> dei Titoli o dal valore che ci si aspetterebbe in termini economici in un dato momento. Inoltre il Market Maker può in ogni momento rivedere il metodo che utilizza per determinare i prezzi offerti, ad esempio riducendo o ampliando gli spread tra prezzi di acquisto e vendita.</p> <p><u>Pagamento di commissioni, interessi propri di terzi</u></p> <p>In relazione al collocamento e/o all'Offerta al Pubblico dei Titoli, l'Emittente o altre società del Gruppo Vontobel possono pagare commissioni a terzi. È possibile che tali terzi perseguano i propri interessi nel prendere una decisione di investimento o nel dare una raccomandazione di investimento.</p>
E.7	<p>Spese stimate addebitate all'investitore dall'Emittente o dall'Offerente</p>	<p>– non applicabile –</p> <p>L'investitore può acquistare i Titoli al Prezzo di Emissione o ai prezzi di vendita stabiliti dal Market Maker durante la vita dei Titoli. Questi prezzi includono tutti i costi sostenuti dall'Emittente, dall'Offerente e dal Market Maker per l'emissione e il collocamento dei Titoli (quali ad esempio costi di vendita e di collocamento, costi di strutturazione e di copertura, incluso un margine di profitto) (con riferimento alla riduzione del valore dei Ti-</p>

		<p>toli a causa della commissione per l'indice e, ove applicabile, della componente finanziaria, si veda la sezione C.15 che precede).</p> <p>Dettagli degli eventuali costi dell'operazione dovrebbero essere richiesti al rilevante partner commerciale o alla banca di fiducia o al broker dell'investitore. Nessuna ulteriore spesa oltre al Prezzo di Emissione o al prezzo di vendita verrà addebitata dall'Emittente o dall'Offerente all'investitore.</p>
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Base Prospectus

dated 3 May 2016

for

Constant Leverage Certificates

Vontobel Financial Products GmbH

Frankfurt am Main, Germany

(the "Issuer")

Bank Vontobel Europe AG

Munich, Germany

(in its capacity as offeror, the "Offeror" and

in its capacity as guarantor, the "Guarantor", as the case may be)

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I. INTRODUCTION

This document constitutes a base prospectus pursuant to Article 5, paragraph (4) of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 as amended from time to time (the "**Prospectus Directive**") and as implemented into German law by § 6 of the German Securities Prospectus Act (*Wertpapierprospektgesetz* – "**WpPG**") in connection with Regulation (EC) No. 809/2004 of 29 April 2004 as amended from time to time (the "**Base Prospectus**" or the "**Prospectus**").

The subject matter of the Base Prospectus is the issuance of or the increase of issued Constant Leverage Certificates (the "**Securities**") which either will be publicly offered or will be placed in application of an exceptional case pursuant to § 3 paragraph 2 WpPG and at the same time admitted to trading on a regulated market.

The Issuer has made an application for approval of the Base Prospectus to the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – "**BaFin**") as competent authority. The BaFin approved the Base Prospectus after completing a review of this document for completeness, including a review of the coherence and comprehensibility of the information provided pursuant to § 13 paragraph 1 sentence 2 WpPG. Following the date of approval of the Base Prospectus, events and changes may occur, which render the information contained in the Base Prospectus incorrect and/or incomplete. The Issuer will publish a supplement to the Base Prospectus in accordance with § 16 WpPG in case of a significant new factor or a material mistake or inaccuracy with respect to the information contained in the Base Prospectus.

In order to be able to conduct a public offer and/or a listing of the Securities on a regulated market (within the meaning of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004) in Italy, the Issuer has applied for the notification of the Base Prospectus into Italy pursuant to §§ 17, 18 WpPG. The Issuer reserves the right to apply for the notification of the Base Prospectus into further member states of the European Economic Area.

The Base Prospectus must be read in connection with the information contained in (i) the registration document of the Issuer and the registration document of the Guarantor which are incorporated by reference into the Base Prospectus (see chapter XIII. on page 187 of the Base Prospectus), (ii) the respective final terms of the offer as drawn up in connection with the Securities (the "**Final Terms**") and (iii) any supplement to the Base Prospectus pursuant to § 16 WpPG. The Base Prospectus, the respective registration documents and any supplements thereto are accessible on the webpage <https://certificates.vontobel.com> under the section <<Legal Documents>>, whereby the Final Terms for a particular issue are accessible by entry of the respective ISIN on the webpage <https://certificates.vontobel.com>.

No one has the right to disseminate any information or make statements that are not included in the Base Prospectus in connection with the issue, sale and offering of the Securities. The Issuer and the Offeror reject any liability for information from third parties that are not contained in the Base Prospectus.

Neither the Base Prospectus or any supplements thereto nor the respective Final Terms shall constitute an offer or a solicitation to any person to buy any Securities and should not be construed as a recommendation of the Issuer to purchase securities. The distribution of the Base Prospectus and the offer and sale of Securities may be subject to legal restrictions in certain jurisdictions. Persons into whose possession the Base Prospectus or Securities pass are obliged to inform themselves about and comply with such restrictions, in particular restrictions in connection with the distribution of the Base Prospectus and the offer or sale of Securities in the United States of America and the offer or sale of Securities in the member states of the European Economic Area (see section VI.8 on page 63 et seq. of the Base Prospectus).

Potential investors in the Securities are explicitly reminded that an investment in Securities entails financial risks. Holders of Securities are exposed to the risk of losing all (total loss) or part of the amount invested by them in the Securities.

No-one should purchase the Securities without having detailed knowledge of their method of operation, the total costs involved and the related risk factors. Only those who are in no doubt about the risks and are financially able to bear the losses that may be associated with them should purchase these types of Securities. Potential investors should therefore carefully read the whole Base Prospectus, in particular the risk factors including any supplements thereto as well as the respective Final Terms, understand the terms and conditions of the issue in detail and assess the suitability of the relevant investment, in each case taking into account their own financial, tax and other circumstances. In cases of doubt potential investors should seek advice by a competent investment, legal or tax advisor.

*The following summary in chapter II. of the Base Prospectus contains options and placeholders marked with square brackets or in italics with respect to the securities that may be issued under the Base Prospectus. For each particular issue an issue specific summary (the "**Issue Specific Summary**") will be prepared by selecting and/or completing the applicable options and placeholders and deleting options which are not applicable. The Issue Specific Summary will be annexed to the particular final terms (the "**Final Terms**").*

II. 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 contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

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

Section A – Introduction and warnings		
A.1	Warnings	<p>The summary should be read as introduction to the base prospectus dated 3 May 2016 [, as supplemented by [the supplement dated ●] [the supplements dated ●] and] as [further] supplemented (the "Base Prospectus" or the "Prospectus").</p> <p>Any decision to invest in the securities (the "Securities") should be based on a consideration of the Base Prospectus as a whole, including the information incorporated by reference together with any supplements and the Final Terms published in connection with the issue of the Securities.</p> <p>In the event that claims relating to the information contained in the Base Prospectus are brought before a court, the plaintiff investor might, under the national legislation of the states of the European Economic Area, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.</p> <p>Vontobel Financial Products GmbH (the "Issuer") and Bank Vontobel Europe AG (in its capacity as the offeror, the "Offeror" and in its capacity as the guarantor, the "Guarantor") have assumed responsibility for this summary including any translation thereof.</p> <p>Those persons which have assumed responsibility for this summary including any translation thereof, or persons responsible for the issue, can be held liable, but only in the event that the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus, or if, when read together with the other parts of the Base Prospectus, it does not provide all the key information required.</p>
A.2	Consent to the use of the prospectus	The Issuer and the Offeror consent to the use of the Base Prospectus for a public offer of the Securities in Italy (" Public Offer ") (general consent).
	Offer period for	The subsequent resale and final placing of the Securities by financial

resale by financial intermediaries	intermediaries may take place during the period of validity of the Base Prospectus in accordance with § 9 of the German Securities Prospectus Act (<i>Wertpapierprospektgesetz</i> , "WpPG") or – in case (i) a base prospectus which follows the Base Prospectus has been published on the website https://zertifikate.vontobel.com under the heading <<Legal Documents>> on the last day of validity of the Base Prospectus at the latest and (ii) the Securities are identified in the subsequent base prospectus – during the period of validity of such subsequent base prospectus according to § 9 section 1 WpPG.
Conditions to which consent is linked	This consent by the Issuer and the Offeror is subject to the conditions (i) that the Base Prospectus and the Final Terms are provided to potential investors only together with all supplements published up to the time of such provision and (ii) that, in making use of the Base Prospectus and the Final Terms, the financial intermediary ensures that it complies with all applicable laws and legal requirements in force in the respective jurisdictions.
Statement that information about the terms and conditions of the offer made by a financial intermediary must be made available by the latter	If the offer for the purchase of the Securities is made by a financial intermediary, the information about the terms and conditions of the offer must be made available by the respective financial intermediary at the time the offer is made.

Section B – Issuer and Guarantor		
B.1	Legal and commercial name	The legal and commercial name of the Issuer is Vontobel Financial Products GmbH.
B.2	Domicile, legal form, applicable legislation and country of incorporation	<p>The domicile of the Issuer is Frankfurt am Main, Germany. Its business address is: Bockenheimer Landstraße 24, 60323 Frankfurt am Main, Germany.</p> <p>The Issuer is a limited liability company (<i>Gesellschaft mit beschränkter Haftung</i>) incorporated under German law in Germany and is registered with the commercial register of the local court (<i>Amtsgericht</i>) at Frankfurt am Main under the register number HRB 58515.</p>
B.4b	Known trends	The Issuer's business is in particular affected by the economic development, especially in Germany and Europe, as well as by the overall conditions in the financial markets. In January 2016, the further significant decline in oil prices and the associated increased volatility in the financial markets marked substantial events. In addition, the political environment also affects the Issuer's business. Furthermore, possible regulatory changes may have a negative impact on the demand or the cost side for the Issuer.
B.5	Group structure and position of the Issuer within the group	<p>The Issuer has no subsidiaries. All of the shares in the Issuer are held by Vontobel Holding AG, the parent company of the Vontobel group (the "Vontobel Group").</p> <p>Established in 1924 and headquartered in Zurich, the Vontobel Group is a Swiss private bank with international activities. The Vontobel Group provides global financial services on the basis of the Swiss private</p>

		banking tradition. The business units on which the Vontobel Group is focused are (i) Private Banking, (ii) Asset Management and (iii) Investment Banking.																																	
B.9	Profit forecasts or estimates	– not applicable – A profit forecast or estimate has not been included.																																	
B.10	Qualifications in the audit report on the historical financial information	– not applicable – There are no such qualifications.																																	
B.12	Selected key historical financial information	<p>The following selected financial information has been taken from the Issuer's audited financial statements for the financial years 2014 and 2015 which were prepared in accordance with the provisions of the German Commercial Code (<i>Handelsgesetzbuch</i>) and the German Law on Limited Liability Companies (<i>Gesetz betreffend die Gesellschaften mit beschränkter Haftung</i>).</p> <p>Balance sheet</p> <table> <tr> <th></th><th>31 December 2014 (EUR)</th><th>31 December 2015 (EUR)</th></tr> <tr> <td>Receivables from affiliated companies (current assets)</td><td>913,190,853</td><td>1,169,626,706</td></tr> <tr> <td>Bank balances (current assets)</td><td>3,168,102</td><td>2,149,684</td></tr> <tr> <td>Issuance liabilities (liabilities)</td><td>913,135,664</td><td>1,169,260,532</td></tr> <tr> <td>Capital reserves (equity)</td><td>2,000,000</td><td>2,000,000</td></tr> <tr> <td>Total assets</td><td>928,867,286</td><td>1,187,984,764</td></tr> </table> <p>Income statement</p> <table> <tr> <th></th><th>1 December to 31 December 2014 (EUR)</th><th>1 December to 31 December 2015 (EUR)</th></tr> <tr> <td>Realised and unrealised gains and losses from the issuance business</td><td>50,876,667</td><td>100,767,626</td></tr> <tr> <td>Realised and unrealised gains and losses from hedging transactions</td><td>-48,464,627</td><td>-97,519,664</td></tr> <tr> <td>Other operating expenses</td><td>1,738,983</td><td>2,489,626</td></tr> <tr> <td>Net income for the year</td><td>131,815</td><td>148,186</td></tr> </table> <p>Statement about the Issuer's prospects</p> <p>There have been no material adverse changes in the prospects of the Issuer since the reporting date for the audited annual financial statements (31 December 2015).</p> <p>Statement about changes in the Issuer's position</p> <p>– not applicable – No significant changes have occurred in the financial or trading position of the Issuer since the reporting date for the audited annual financial statements (31 December 2015).</p>		31 December 2014 (EUR)	31 December 2015 (EUR)	Receivables from affiliated companies (current assets)	913,190,853	1,169,626,706	Bank balances (current assets)	3,168,102	2,149,684	Issuance liabilities (liabilities)	913,135,664	1,169,260,532	Capital reserves (equity)	2,000,000	2,000,000	Total assets	928,867,286	1,187,984,764		1 December to 31 December 2014 (EUR)	1 December to 31 December 2015 (EUR)	Realised and unrealised gains and losses from the issuance business	50,876,667	100,767,626	Realised and unrealised gains and losses from hedging transactions	-48,464,627	-97,519,664	Other operating expenses	1,738,983	2,489,626	Net income for the year	131,815	148,186
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	Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.	material extent relevant to the evaluation of the Issuer's solvency.
B.14	Group structure and position of the Issuer within the group/ Dependence of the Issuer on other entities within the group	<p>With respect to the organizational structure, see B.5 above.</p> <p>– not applicable –</p> <p>The Issuer has no subsidiaries. Since all of the shares in the Issuer are held by Vontobel Holding AG, the parent company of the Vontobel Group, the Issuer is, however, dependent on Vontobel Holding AG.</p>
B.15	Description of the Issuer's principal activities	The Issuer's principal activity is to issue securities and derivative securities and to carry out financial transactions and auxiliary transactions of financial transactions. Activities that require authorisation under the German Banking Act (<i>Gesetz über das Kreditwesen</i>) are excluded. The Issuer may furthermore conduct all business activities that are directly or indirectly related to its main purpose and also carry out all activities that could directly or indirectly serve to promote the main purpose of the Issuer. The Issuer may also set up, acquire, or dispose of subsidiaries or branches in Germany and other countries, or acquire interests in other companies.
B.16	Interests in and control of the Issuer	<p>All of the shares in the Issuer are held by Vontobel Holding AG, the parent company of the Vontobel Group. There is no control agreement and no profit and loss transfer agreement between the Issuer and Vontobel Holding AG.</p> <p>With respect to interests in and control of Vontobel Holding AG, see B.19 with B.16.</p>
B.18	Description of the nature and scope of the guarantee	<p>The due payment by the Issuer of all amounts payable in accordance with the terms and conditions (the "Terms and Conditions") of the Securities issued under the Base Prospectus is guaranteed by the Guarantor.</p> <p>Upon first written demand by the respective security holders (the "Security Holders") and their written confirmation that an amount under the Securities has not been paid when due by the Issuer, the Guarantor shall pay to them all amounts required to fulfil the intent and purpose of the guarantee.</p> <p>The intent and purpose of the guarantee is to ensure that the Security Holders, under any and all circumstances, whether factual or legal, and irrespective of the validity or the enforceability of the obligations of the Issuer, or any other reasons on the basis of which the Issuer may fail to fulfil its payment obligations, receive on the respective due date any and all sums payable on the maturity date in accordance with the Terms and Conditions of the Securities.</p> <p>This guarantee constitutes a contract in favour of the Security Holders as third party beneficiaries pursuant to § 328 (1) of the German Civil Code (<i>Bürgerliches Gesetzbuch</i>). The form and content of this guarantee as well as all rights and duties arising therefrom are governed exclusively by the</p>

		laws of Germany. Non-exclusive court of venue for all litigation with the Guarantor and arising from the legal relations established under the guarantee is Munich.
B.19 with B.1	Legal and commercial name of the Guarantor	The Guarantor's legal and commercial name is Bank Vontobel Europe AG.
B.19 with B.2	Domicile, legal form, applicable legislation and country of incorporation of the Guarantor	<p>The Guarantor is domiciled in Munich, Germany. Its business address is: Alter Hof 5, 80331 Munich, Germany.</p> <p>The Guarantor is a stock corporation (<i>Aktiengesellschaft</i>) incorporated under German law in Germany. The Guarantor is registered with the commercial register of the local court (<i>Amtsgericht</i>) at Munich under the register number HRB 133419.</p>
B.19 with B.4b	Known trends relating to the Guarantor	The prospects of the Guarantor are influenced in context of the continuing business operations of the companies of the Vontobel-Group, by changes in the environment (markets, regulations), as well as by market, liquidity, credit and operational risks usually assumed with the launch of new activities (new products and services, new markets) and by reputational risks. In addition to the various market factors such as interest rates, credit spreads, exchange rates, prices of shares, prices of commodities and corresponding volatilities, the current monetary and interest rate policies of central banks are particularly to be mentioned as key influence factors.
B.19 with B.5	Group structure and position of the Guarantor within the group	All shares of the Guarantor are held by the group parent company, Vontobel Holding AG, Zurich, Switzerland. The Guarantor has no subsidiaries.
B.19 with B.9	Profit forecasts or estimates of the Guarantor	<p>– not applicable –</p> <p>A profit forecast or estimate has not been included.</p>
B.19 with B.10	Qualifications in the audit report of the Guarantor on historical financial information	<p>– not applicable –</p> <p>There are no such qualifications.</p>

B.19 with B.12	Selected key historical financial information of the Guarantor	<p>The following selected financial information has been taken from the Guarantor's audited financial statements for the financial years 2014 and 2015 which were prepared in accordance with the applicable statutory provisions (German Stock Corporation Act (<i>Aktiengesetz</i>); German Commercial Code (<i>Handelsgesetzbuch</i>); and the German Accounting Directive for Banks and Financial Services Providers (<i>Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute</i>, "RechKredV") as specified by the German Accounting Law Modernisation Act (<i>Bilanzrechtsmodernisierungsgesetz</i>). In accordance with § 1 RechKredV in conjunction with § 2 RechKredV, the Bank prepared its balance sheet using Form 1 and its income statement using Form 3 (vertical presentation format) with supplementary items.</p> <p>Balance sheet</p> <table border="1"> <thead> <tr> <th></th><th>31 December 2015 (audited) (in EUR thousand)</th><th>31 December 2014 (audited) (in EUR thousand)</th></tr> </thead> <tbody> <tr><td>Total assets</td><td>259,514</td><td>208,435</td></tr> <tr><td>Equity</td><td>75,996</td><td>53,462</td></tr> <tr><td>Liabilities to banks</td><td>705</td><td>0</td></tr> <tr><td>Liabilities to clients</td><td>171,394</td><td>145,892</td></tr> <tr><td>Cash reserve</td><td>89,403</td><td>14,644</td></tr> <tr><td>Receivables from banks</td><td>61,378</td><td>121,911</td></tr> <tr><td>Receivables from customers</td><td>43,318</td><td>47,581</td></tr> <tr><td>Debt instruments</td><td>55,568</td><td>20,473</td></tr> <tr><td>Intangible fixed assets</td><td>76</td><td>78</td></tr> <tr><td>Tangible fixed assets</td><td>559</td><td>674</td></tr> <tr><td>Prepaid expenses</td><td>276</td><td>7</td></tr> <tr><td>Other assets</td><td>8,936</td><td>3,067</td></tr> </tbody> </table> <p>Income Statement</p> <table border="1"> <thead> <tr> <th></th><th>Financial year 2015 (audited) (in EUR thousand)</th><th>Financial year 2014 (audited) (in EUR thousand)</th></tr> </thead> <tbody> <tr><td>Interest income from</td><td>1,208</td><td>1,150</td></tr> <tr><td>Interest expense</td><td>124</td><td>60</td></tr> <tr><td>Commission income</td><td>27,863</td><td>17,983</td></tr> <tr><td>Other operating income</td><td>3,406</td><td>1,384</td></tr> <tr><td>General and administrative expenses</td><td>25,175</td><td>23,858</td></tr> </tbody> </table>		31 December 2015 (audited) (in EUR thousand)	31 December 2014 (audited) (in EUR thousand)	Total assets	259,514	208,435	Equity	75,996	53,462	Liabilities to banks	705	0	Liabilities to clients	171,394	145,892	Cash reserve	89,403	14,644	Receivables from banks	61,378	121,911	Receivables from customers	43,318	47,581	Debt instruments	55,568	20,473	Intangible fixed assets	76	78	Tangible fixed assets	559	674	Prepaid expenses	276	7	Other assets	8,936	3,067		Financial year 2015 (audited) (in EUR thousand)	Financial year 2014 (audited) (in EUR thousand)	Interest income from	1,208	1,150	Interest expense	124	60	Commission income	27,863	17,983	Other operating income	3,406	1,384	General and administrative expenses	25,175	23,858
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	Statement about the Guarantor's prospects	There have been no material adverse changes in the prospects of the Guarantor since the reporting date for the most recent audited annual financial statements (31 December 2015).
	Statement about changes in the Guarantor's position	No significant changes have occurred in the financial or trading position of the Guarantor since the reporting date for the audited annual financial statements (31 December 2015).
B.19 with B.13	Recent events particular to the Guarantor which are to a material extent relevant to the evaluation of the Guarantor's solvency	– not applicable – There have been no recent events particular to the Guarantor which are to a material extent relevant to the evaluation of the Guarantor's solvency.
B.19 with B.14	Group structure and position of the Guarantor within the group/ Dependence of the Guarantor on other entities within the group	With respect to the organizational structure, see B.19 with B.5 above. The Guarantor has no subsidiaries. Since all of the shares in the Guarantor are held by Vontobel Holding AG, the parent company of the Vontobel Group, the Guarantor is, however, dependent on Vontobel Holding AG.
B.19 with B.15	Description of the principal activities of the Guarantor	Pursuant to Article 2 of the Articles of Association dated 2 May 2010, the corporate purpose of the Company comprises the performance of banking activities covering deposit business, credit business, principal broking services, safe custody business, guarantee business, checking account business and underwriting business. Furthermore, the corporate purpose of the Company comprises the performance of financial services which comprises investment broking, investment advice, placement business, contract broking, financial portfolio management, proprietary trading, non-EEA deposit broking, rendering of banking related supporting services and all other business which may directly or indirectly support the object of the Company.
B.19 with B.16	Interests in and control of the Guarantor	All of the shares in the Guarantor are held by Vontobel Holding AG, the parent company of the Vontobel Group.

Section C – Securities

C.1	Type and class of the securities, securities identification numbers	<p>The Securities (Constant Leverage Certificates) are securitized derivatives classified as 'leverage certificates' class B according to the current rules and instructions of Borsa Italiana S.p.A. Such Securities replicate, with a fixed leverage effect, the performance of the underlying.</p> <p>Form of the Securities</p> <p><i>[Securities in the form of German Global Certificates:</i></p> <p>The Securities represent bearer bonds in accordance with section 793 of the German Civil Code (Bürgerliches Gesetzbuch, "BGB") and will be</p>
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		<p>evidenced by a global certificate (<i>Sammelurkunde</i>) in accordance with § 9 a of the German Securities Custody Act (<i>Depotgesetz</i>) (the "Global Certificate"). The Global Certificate will be deposited with Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Germany (the "Central Securities Depository") and will be kept in custody by the Central Securities Depository until all obligations of the Issuer under the Securities have been fulfilled. No definitive securities will be issued. Bearers are entitled to co-ownership interests, economical ownership rights or comparable rights in the Global Certificates, which are transferable in accordance with the rules of the Central Securities Depository and the laws of Germany.]</p> <p><i>[Securities in the form of Italian Uncertificated Certificates:</i></p> <p>The Securities are issued in uncertificated and dematerialised book-entry form pursuant to the Italian Financial Services Act (<i>Testo Unico della Finanza</i>) and cleared through and registered at Monte Titoli S.p.A., Piazza degli Affari, 6, 20123 Milan, Italy (the "Central Securities Depository") in accordance with the Legislative Decree No 213, dated 24 June 1998, the Legislative Decree No. 58, dated 24 February 1998 and the Rules governing central depositories, settlement services, guarantee systems and related management companies, issued by Bank of Italy and the Italian securities regulator (<i>Commissione Nazionale per le Società e la Borsa</i> - "CONSOB") on 22 February 2008. No physical securities, such as global temporary or permanent securities or definitive securities will be issued in respect of the Italian Uncertificated Certificates.]</p> <p>Securities identification numbers</p> <p>[ISIN: ●</p> <p>[WKN: ●]</p> <p>[Valor: ●]</p> <p><i>[insert alternative securities identification numbers, if applicable: ●]]</i></p> <p><i>[In relation to multi-series Securities insert following overview table of relevant information and complete for each Series of Securities:</i></p> <table><tr><td>ISIN</td><td>[WKN]</td><td>[Valor]</td></tr><tr><td>●</td><td>[●]</td><td>[●]</td></tr></table> <p>]</p>	ISIN	[WKN]	[Valor]	●	[●]	[●]
ISIN	[WKN]	[Valor]						
●	[●]	[●]						
C.2	Currency of the issue	<p>[The currency of the Securities is ● (the "Settlement Currency"). [All references to ● should be understood as references to <i>[insert details of the Currency: ●].</i>]</p> <p><i>[In relation to multi-series Securities insert following overview table of relevant information and complete for each Series of Securities, if required:</i></p> <table><tr><td>ISIN</td><td>Settlement Currency</td></tr><tr><td>●</td><td>●</td></tr></table> <p>]</p>	ISIN	Settlement Currency	●	●		
ISIN	Settlement Currency							
●	●							
C.5	Description of any restrictions on the	<p>– not applicable –</p> <p>Each Security [of a Series of Securities] is freely transferable in accordance</p>						

	transferability of the securities	with applicable law and any rules and procedures for the time being of any clearing system through whose books such Security is transferred.
C.8	Description of the rights attached to the securities including ranking and limitations to those rights	<p>Redemption on exercise or termination</p> <p>The Securities grant the Security Holder the right to require the Issuer to redeem the Securities on exercise or termination by the payment of a Cash Amount, as described in C.15.</p> <p>Governing law</p> <p>The form and content of [each Series of] the Securities as well as all rights and obligations of the Issuer and of the Security Holders are determined in accordance with German law [<i>for Italian Uncertificated Certificates</i>], except that the legal effects of the registration of Securities with the Central Securities Depository is governed by, and construed in accordance with, Italian law].</p> <p>The form and content of the Guarantee and all rights and obligations arising from it are determined in accordance with German law.</p> <p>Ranking of the Securities</p> <p>The obligations arising from [each Series of] the Securities constitute direct and unsecured obligations of the Issuer that rank <i>pari passu</i> in relation to one another and in relation to all other unsecured and unsubordinated obligations of the Issuer, with the exception of obligations that have priority due to mandatory statutory requirements.</p> <p>Limitations to the rights</p> <p>In accordance with the Terms and Conditions, the Issuer may make adjustments upon the occurrence of defined events in order to reflect relevant changes or events relating to the respective Underlying (as defined in Element C.20 below), or may terminate the Securities extraordinarily. In the case of an extraordinary termination, all investors' rights as described above cease to exist and there is the risk that the extraordinary termination amount may be zero (0).</p> <p>In the event that a market disruption occurs, there may be a delay in valuing the Security in relation to the Underlying, and this may affect the value of the Securities and/or delay the payment of the Cash Amount. In such cases, the Issuer may, in its reasonable discretion, determine a rate, level or price for the Underlying that is relevant for the purposes of valuing the Securities.</p> <p>The Issuer has the right to terminate all of the Securities ordinarily by the payment of the ordinary termination amount (which is calculated in the same way as the Cash Amount) and to end the term of the Securities.</p>
C.11	Admission to trading on a regulated market or other equivalent markets	<p><i>[if an admission to trading on a regulated market or other equivalent markets is not intended, insert: – not applicable –</i></p> <p>An admission of the Securities to trading on a regulated market or other equivalent markets is not intended.]</p> <p><i>[if an admission to trading on a regulated market or other equivalent markets is intended, insert: Application will be made for the Securities to be admitted to trading on the regulated market Mercato Telematico of securitised derivatives ("SeDeX") of Borsa Italiana S.p.A. ("Borsa")</i> <i>[[and] [insert any further/other exchange(s) for which an application for admission to trading on the regulated or other equivalent markets will be</i></p>

		<p>made: •.].]</p> <p>[if (only) inclusion in a regulated unofficial market is intended, insert: Application will be made for the Securities to be [only][additionally] included in the regulated unofficial market of the following exchanges: [insert any exchange(s) for which an application will be made to include the Securities in a regulated unofficial market: •.].]</p> <p>[The date on which the Securities are expected to be [included in] [and] [admitted to] trading is •.]</p>
C.15	Description of how the value of the investment is affected by the value of the underlying instrument	<p>On the basis of the Securities, investors can participate in the performance of a particular underlying without having to purchase the respective underlying (the "Factor Index") or the financial instrument to which it is linked (the "Reference Instrument") directly. The Reference Instrument is [a share, a security representing shares (ADR/GDR) or other dividend-bearing security] [an (other) index] [an exchange rate] [a future or interest rate future] [a precious metal or a commodity], for more detailed information see C.20. Because of various features of the Securities, an investment in the Securities is not comparable to a direct investment in the underlying or the Reference Instrument.</p> <p>The principal characteristic of Constant Leverage Certificates is that, after allowing for the ratio, they reproduce the performance of the underlying, i.e. the Factor Index, on a one-to-one basis. The Factor Index is composed, calculated and published by Bank Vontobel AG, Zurich, a company affiliated to the Issuer. It consists of a leverage component and a financing component.</p> <p>[in the case of a long index, insert:</p> <p>The leverage component tracks an investment in the Reference Instrument, whereby movements in the price of the Reference Instrument are multiplied by the leverage ("Factor"). The Factor is specified at the start of a new Factor Index and always remains unchanged for the entire calculation period of the Factor Index. Factor Indices therefore replicate a theoretical investment in a Reference Instrument, but movements in the price of the Reference Instrument are multiplied by the Factor. This leverage effect has a disproportionate effect on the value of the Factor Index in the case of both positive and negative movements in the Reference Instrument.</p> <p>[share, security representing shares or other dividend-bearing security as the Reference Instrument: The financing component reflects the capital costs that would be incurred to finance the corresponding investment in the Reference Instrument. Additionally, a fee is charged by the index calculation agent for the calculation and administration of the index (index fee). The financing component therefore reduces the value of the Factor Index.]</p> <p>[index as the Reference Instrument: The financing component reflects the capital costs that would be incurred to finance the corresponding investment in the Reference Instrument (or its constituents). Additionally, a fee is charged by the index calculation agent for the calculation and administration of the index (index fee). The financing component therefore reduces the value of the Factor Index.]</p> <p>[exchange rate as the Reference Instrument: The financing component</p>

		<p>reflects the costs of taking out a loan in the [<i>insert currency 2: ●</i>] currency that would be incurred to finance the corresponding investment in the [<i>insert currency 1: ●</i>] currency. Additionally, a fee is charged by the index calculation agent for the calculation and administration of the index (index fee). If the costs of taking out the loan (interest rate plus financing spread) and the index fee exceed the interest income on an index calculation day, the financing component reduces the value of the Factor Index.]</p> <p>[<i>future or interest rate future as the Reference Instrument</i>: An investment in futures does not involve the purchase of the reference asset underlying the future but simply consists of entering into a corresponding position in a futures contract. Instead, a payment must be made as a collateral for the position entered into (margin payment). The financing costs for such margin payment are reflected in the financing component. The financing component also reflects the income that would be earned from a risk-free investment in line with the strategy of the leverage component and at the relevant rate of interest. Additionally, a fee is charged by the index calculation agent for the calculation and administration of the Factor Index (index fee). If the costs of the margin payment and the index fee exceed the interest income based on the relevant rate of interest on a particular day, the financing component reduces the value of the Factor Index.]</p> <p>[<i>precious metal or commodity as the Reference Instrument</i>: The financing component reflects the capital costs that would be incurred to finance the corresponding investment in the Reference Instrument. Additionally, a fee is charged by the index calculation agent for the calculation and administration of the index (index fee). The financing component therefore reduces the value of the Factor Index.]]</p> <p>[<i>in the case of a short index, insert:</i></p> <p>The leverage component <u>inversely</u> tracks an investment in the Reference Instrument, whereby movements in the price of the Reference Instrument are multiplied by the leverage ("Factor"). The Factor is specified at the start of a new Factor Index and always remains unchanged for the entire calculation period of the Factor Index. Factor Indices therefore replicate a theoretical investment in a Reference Instrument, but movements in the price of the Reference Instrument are multiplied by the Factor. This leverage effect has a disproportionate impact on the value of the Factor Index in the case of both positive and negative movements in the Reference Instrument.</p> <p>[<i>share, security representing shares or other dividend-bearing security as the Reference Instrument</i>: The financing component reflects the income and expenses that would arise from acquiring the Reference Instrument, selling it and investing the proceeds at the risk-free rate. Additionally, a fee is charged by the index calculation agent for the calculation and administration of the Factor Index (index fee). If the acquisition costs and the index fee are higher than the interest income earned at the relevant rate of interest on a particular day, the financing component reduces the value of the Factor Index.]</p> <p>[<i>index as the Reference Instrument</i>: The financing component reflects the expenses and earnings that would arise from acquiring the Reference</p>
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		<p>Instrument (or its constituents), selling it and investing the proceeds at the risk-free rate. Additionally, a fee is charged by the index calculation agent for the calculation and administration of the Factor Index (index fee). If the acquisition costs and the index fee exceed the interest income based on the relevant rate of interest on a particular day, the financing component reduces the value of the Factor Index.]</p> <p><i>[exchange rate as the Reference Instrument:</i> The financing component reflects the costs of taking out a loan in the <i>[insert currency 1: •]</i> currency that would be incurred to finance the corresponding investment in the <i>[insert currency 2: •]</i> currency. Additionally, a fee is charged by the index calculation agent for the calculation and administration of the Factor Index (index fee). If the costs of taking out the loan (interest rate plus financing spread) and the index fee exceed the interest income on a particular day, the financing component reduces the value of the Factor Index.]</p> <p><i>[future or interest rate future as the Reference Instrument:</i> An investment in futures does not involve the purchase of the reference asset underlying the future but simply consists of entering into a corresponding position in a futures contract. Instead, a payment must be made as a collateral for the position entered into (margin payment). The financing costs for such margin payment are reflected in the financing component. The financing component also reflects the income that would be earned from a risk-free investment in line with the strategy of the leverage component and at the relevant rate of interest. Additionally, a fee is charged by the index calculation agent for the calculation and administration of the Factor Index (index fee). If the costs of the margin payment and the index fee exceed the interest income based on the relevant rate of interest on a particular day, the financing component reduces the value of the Factor Index.]</p> <p><i>[precious metal or commodity as the Reference Instrument:</i> The financing component reflects the expenses and earnings that would arise from acquiring the Reference Instrument, selling it and investing the proceeds at the risk-free rate. Additionally, a fee is charged by the index calculation agent for the calculation and administration of the Factor Index (index fee). If the acquisition costs and the index fee exceed the interest income based on the relevant rate of interest on a particular day, the financing component reduces the value of the Factor Index.]]</p> <p>The Cash Amount for the Constant Leverage Certificates is dependent on the performance of the Underlying and corresponds to the Reference Price (as defined in C.19) under consideration of the Ratio.</p> <p>Underlying: • (for further details, see C.20)</p> <p>Ratio: •</p> <p>See also the issue-specific information under C.16.</p>
C.16	Expiration or maturity date	<p>Constant Leverage Certificates do not have a fixed term and therefore do not grant the Security Holder the right to demand payment of the Cash Amount on a particular date, specified in advance at the time of issue, based on a particular price of the Underlying. The calculation and (subsequent) payment of the Cash Amount takes place when the Security Holder exercises the Securities effectively or when the Issuer ordinarily</p>

		<p>terminates the Securities.</p> <p>[Valuation Date: [(a) in case of valid exercise by the Security Holder, the respective exercise date;</p> <p>(b) in case of an Ordinary Termination by the Issuer, the ordinary termination date;</p> <p>(c) in other cases [●] which is the date on which the security right is deemed to be exercised automatically.]</p> <p>[the Expiry Date] [●].]</p> <p>[Expiry Date (<i>Data di Scadenza</i>): [shall mean the Valuation Date.] [[●] Business Days following the Valuation Date.] [●]]</p> <p>[Maturity Date: the [fifth (5th)] [seventh (7th)] [●] business day following the Valuation Date.]]</p> <p><i>[In relation to multi-series Securities insert following overview table of relevant information and complete for each Series of Securities:</i></p> <table><tr><td>ISIN</td><td>[Valuation Date]</td><td>[Expiry Date (<i>Data di Scadenza</i>)]</td><td>[Maturity Date]</td></tr><tr><td>[●]</td><td>[●]</td><td>[●]</td><td>[●]</td></tr></table> <p>]</p>	ISIN	[Valuation Date]	[Expiry Date (<i>Data di Scadenza</i>)]	[Maturity Date]	[●]	[●]	[●]	[●]
ISIN	[Valuation Date]	[Expiry Date (<i>Data di Scadenza</i>)]	[Maturity Date]							
[●]	[●]	[●]	[●]							
C.17	Description of the settlement procedure	<p>Amounts due are calculated by the Calculation Agent and made available to the Central Securities Depository by the Issuer on the Maturity Date via the Paying Agents for onward transfer to the respective custodian banks for the purpose of crediting the Security Holders. The Issuer shall thereupon be released from all payment obligations.</p> <p>If a due payment is required to be made on a day that is not a Business Day, the payment may be postponed until the next following Business Day.</p> <p>Calculation Agent: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland</p> <p>Paying Agents: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland; Bank Vontobel Europe AG, Alter Hof 5, 80331 Munich, Germany; and BNP PARIBAS Securities Services, Milan Branch, Via Ansperto no. 5, 20123 Milan, Italy</p>								
C.18	Description of redemption for derivative securities	<p>The Securities are redeemed by the payment of the Cash Amount. Further details of the timing of redemption and how the amount is calculated can be found under C.15 to C.17.</p> <p><i>[If the currency of the Underlying is different from the Settlement Currency of the Securities (see C.20), insert:</i></p> <p>The Cash Amount is converted into the Settlement Currency of the Securities on the Valuation Date in accordance with the relevant conversion rate.]</p>								
C.19	Exercise price/ final reference	<p>The amount of the Cash Amount depends on the Reference Price of the Underlying on the Valuation Date.</p>								

	price of the underlying	The Reference Price is [the closing price of the Underlying on the Valuation Date, as calculated and published in accordance with the index description.] [●.]				
C.20	Description of the underlying and where information on the underlying can be found	<p>The underlying to which the Securities are linked is the [insert index name as specified in the Final Terms] (the "Underlying") which is composed and calculated by the index calculation agent.</p> <p>[ISIN Underlying: insert as specified in the Final Terms]</p> <p>Reference Instrument [insert as specified in the Final Terms]</p> <p>Index calculation agent: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland</p> <p>[In relation to multi-series Securities insert following overview table of relevant information and complete for each Series of Securities:</p> <table><tr><td>ISIN</td><td>Reference Instrument</td></tr><tr><td>[●]</td><td>[insert as specified in the Final Terms]</td></tr></table> <p>]</p> <p>Further information about the Underlying is available on the internet at [https://indices.vontobel.com] [and on Reuters [screen page]] [and [●]].</p>	ISIN	Reference Instrument	[●]	[insert as specified in the Final Terms]
ISIN	Reference Instrument					
[●]	[insert as specified in the Final Terms]					

Section D – Risks

D.2	Key information on the key risks relating to the Issuer and the Guarantor	<p>Insolvency risk of the Issuer</p> <p>The investors are exposed to the risk of the insolvency and therefore the illiquidity of the Issuer. There is therefore a general risk that the Issuer will be unable to fulfil all or some of its obligations arising from the Securities. In this event there is a threat of financial loss up to and including a total loss, irrespective of the performance of the Underlying.</p> <p>The Securities are not covered by a deposit protection scheme. Furthermore, the Issuer is also not a member of a deposit protection fund or similar protection system, which would reimburse the Security Holders' claims in full or in part if the Issuer became insolvent.</p> <p>For this reason, investors should take into consideration the creditworthiness of the Issuer when making their investment decisions. The Issuer's liable share capital amounts to only EUR 50,000. A purchase of the Securities therefore exposes the investor to a significantly greater credit risk than in the case of an issuer with a higher level of capital resources.</p> <p>The Issuer enters into OTC hedging transactions (hedging transactions negotiated individually between two parties) exclusively with other companies within the Vontobel Group. As a result of this lack of diversification, the Issuer is exposed to cluster risk with respect to the possible insolvency of its counterparties, which would not be the case with a more widely diversified selection of contractual partners. Illiquidity or insolvency on the part of companies affiliated to the Issuer could therefore result directly in the illiquidity of the Issuer.</p> <p>Market risk of the Issuer</p> <p>A difficult macroeconomic situation may lead to a lower issue size and have a negative impact on the Issuer's results of operations. In this</p>
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D.3 D.6	<p>Key information on the key risks relating to the securities/ Risk of total loss</p>	<p>Risk of loss due to dependence on the performance of the Underlying</p> <p>The Securities are financial instruments whose value is derived from the value of another reference object, the "Underlying". The Underlying is a Factor Index whose performance is largely dependent in turn on the performance of another financial instrument, the Reference Instrument. [In the case of Securities linked to Factor Indices of the long type, a decrease of the Reference Instrument is disadvantageous for the investor.] [In the case of Securities linked to Factor Indices of the short type, an increase of the Reference Instrument is disadvantageous for the investor.]</p> <p>Investors should also bear in mind that the Underlying is designed in such a way that the performance of the Reference Instrument is incorporated in the calculation of the Underlying together with a leverage effect. A change in the Reference Instrument results in a disproportionate change in the price of the Underlying and therefore also in the price of the Securities. Consequently, these Securities entail disproportionate risks of loss if the Reference Instrument and therefore also the Underlying moves in a direction that is unfavourable from the point of view of the investor. As a result of the particular method of calculating the Factor Index, sideways movements in the Reference Instrument can also result in significant decrease of the price of the Factor Index and therefore also of the Security.</p> <p>There is no guarantee that the performance of the Underlying or its Reference Instrument will match the investor's expectations. If the Reference Instrument of the Underlying moves in a direction that is disadvantageous for the investor, there is a risk of loss up to and including a total loss.</p> <p>Market price risks</p>

	<p>The price of a Security depends primarily on the price of the respective Underlying to which it is linked and replicates its performance [after adjusting for the ratio]. All of the positive and negative factors affecting an Underlying (especially those relating to the relevant Reference Instrument and the risks entailed in an investment in such a Reference Instrument) are therefore also reflected in principle in the price of a Security.</p> <p>The price of the Securities may perform negatively. This may be caused – as described above – by the price of the Underlying to which the Security is linked moving in the unfavourable direction or by other factors affecting the price (such as the volatility, a deterioration in the Issuer's credit rating and the performance of the economy as a whole).</p> <p>Option risks with respect to the Securities</p> <p>The Securities described in the Base Prospectus are derivative financial instruments incorporating an option right which may therefore have many features in common with options. Transactions with options may involve a high level of risk. An investment in the Securities may be subject to very pronounced fluctuations in value and in some circumstances the embedded option will be completely worthless on expiry. In this event, the investor may lose the entire amount invested in the Securities.</p> <p>Volatility risk</p> <p>An investment in Securities with Underlyings (linked to Reference Instruments) with a high volatility is fundamentally more risky than an investment in Securities or Underlyings with low volatility since it entails greater potential for incurring losses.</p> <p>Risks relating to historical performance</p> <p>The performance of an Underlying, of its Reference Instrument or of a Security in the past is not an indicator of its performance in the future.</p> <p>Risks relating to financing the purchase of the Security with debt</p> <p>Since the Securities do not provide any current income (such as interest or dividends), investors must not assume that they will be able to use such current income to service any loan interest falling due during the term of the Securities.</p> <p>Transactions designed to exclude or limit risk</p> <p>Investors may not be able to hedge adequately against the risks associated with the Securities.</p> <p>Inflation risk</p> <p>Inflation has a negative effect on the real value of assets held and on the return generated in real terms.</p> <p>Risks due to the economic cycle</p> <p>Losses from a fall in prices may arise because investors do not take the cyclical performance of the economy with its corresponding upward and downward phases into account, or do not do so correctly, when making their investment decisions and consequently make investments, or hold</p>
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	<p>or sell Securities, at phases of the economic cycle that are unfavourable from their point of view.</p> <p>Psychological market risk</p> <p>Factors of a psychological nature may also have a significant influence on the price of the Underlyings and therefore on the performance of the Securities. If, through such effect, the price of the Underlying or of its Reference Instrument is affected to the contrary of the market expectations of the investor, the investor may suffer a loss.</p> <p>Risks relating to trading in the Securities, liquidity risk</p> <p>The Market Maker (as defined in E.3) undertakes to provide bid and offer prices for the Securities pertaining to an issue subject to regular market conditions.</p> <p>In the event of extraordinary market conditions or extremely volatile markets, the Market Maker will not provide any bid and offer prices. However, even in the case of regular market conditions, the Market Maker does not assume any legal responsibility towards the Securities Holders to provide such prices and/or that such prices provided by the Market Maker are reasonable.</p> <p>Thus, potential investors must not assume that it will be possible to sell the Securities during their term and must in any case be prepared to hold the Securities until the Valuation Date or, if applicable, the next Exercise Date to redeem the Securities in accordance with the Terms and Conditions (by submitting an exercise notice).</p> <p>Risks relating to the price determination of the Securities and the effect of transaction costs and commissions</p> <p>The Issue Price (as defined in E.3) and the selling price for the Securities quoted in the secondary market may include a premium over the original mathematical value of the Securities (so-called fair value) that is not apparent to the investor. This margin and the actuarial value of the Securities is determined by the Issuer and/or Market Maker at its own discretion on the basis of internal pricing models and a number of other factors. These factors include <i>inter alia</i> the following parameters: actuarial value of the Securities, price and volatility of the Underlying, supply and demand with regard to the Securities, costs for risk hedging, premium for risk assumption, costs for structuring and distribution of the Securities, commissions, if any, as well as licence fees or management fees, if any.</p> <p>For the aforesaid reasons, the prices provided by the Market Maker may deviate from the actuarial value of the Securities and/or the price to be expected from a commercial perspective.</p> <p>Risk relating to the taxation of the Securities</p> <p>The payment of taxes, levies, fees, deductions or other amounts incurred in connection with the Securities is the responsibility of the respective Security Holder and not of the Issuer. All payments made by the Issuer may be subject to taxes, levies, fees, deductions or other payments required to be made, paid, withheld or deducted.</p>
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	<p>Risks relating to the effect of hedging transactions by companies of the Vontobel Group</p> <p>Hedging and trading transactions performed by the Issuer and by companies of the Vontobel Group in a Reference Instrument of a Factor Index may have a negative impact on the value of the Securities.</p> <p>Risks in connection with adjustments, market disruptions, extraordinary termination and settlement</p> <p>The Issuer or the index calculation agent may make adjustments in order to reflect relevant changes or events relating to the Underlying or its Reference Instrument. The possibility cannot be excluded in this context that an adjustment may prove to be disadvantageous for the investor. The Issuer may also be entitled to terminate the Securities extraordinarily. In the case of an extraordinary termination, all investors' redemption rights cease to exist and there is the risk that the extraordinary termination amount may be zero (0). In the least favourable case, a total loss of the capital invested may occur.</p> <p>Risk of termination by the Issuer</p> <p>The Issuer has an ordinary right of termination, and the investor therefore faces the risk that the Issuer may terminate and redeem the Securities at a time at which the investor would not otherwise have sold or exercised the Securities. This may result in the investor not achieving the desired return and may entail a loss up to and including a total loss.</p> <p>In this event, the Security Holders bear the risk that their expectations with respect to an increase in the value of the Securities can no longer be met due to their termination. In such cases investors may no longer be able to reinvest or may only be able to reinvest on less favourable terms and conditions.</p> <p>The Issuer also has an extraordinary termination right involving the same risks for investors as in the case of ordinary termination.</p> <p>Risks with respect to potential conflicts of interest</p> <p>Conflicts of interest may exist among the companies of the Vontobel Group (in particular with respect to their function as index calculation agent) and third parties to the detriment of the investor which may affect the value of the Securities. The principal possible conflicts of interest are set out under E.4.</p> <p>Information risk</p> <p>There is a possibility that investors may make incorrect decisions because of missing, incomplete or incorrect information, which may be outside the Issuer's control.</p> <p>Currency risk</p> <p><i>[If the Currency of the Underlying is different from the Settlement Currency, insert: Potential investors should be aware that an investment in the Securities is associated with exchange rate risks since the rate of exchange between the currency of the Underlying and the Settlement Currency of the Securities may move in a direction that is to their</i></p>
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		<p>disadvantage.]</p> <p>If the Settlement Currency of the Securities is different from the domestic currency of the investor or the currency in which an investor wishes to receive payments, potential investors bear exchange rate risks.</p> <p>Risks relating to the calculation and design of the Underlying</p> <p>In addition to the leverage effect described above, costs (e.g. securities lending costs) and fees (e.g. an index fee) may be incurred, depending on the structure of the Factor Index and of the Underlying Reference Instrument, that also have the effect of reducing the value of the Factor Index and therefore the level of the Underlying.</p> <p>Risk of total loss</p> <p>The Securities are particularly risky investment instruments, which combine features of derivatives transactions with those of leveraged products. The Securities are therefore associated with disproportionate risks of loss (risk of total loss).</p> <p>If a loss arises, it will consist of the price paid for the Security and the costs incurred, such as custodian fees or brokerage and/or stock exchange commissions. This risk of loss exists irrespective of the financial condition of the Issuer and of the Guarantor.</p> <p>There is no provision for regular distributions, payments of interest or a minimum repayment amount. The loss of capital may be substantial with the result that in certain circumstances investors may suffer a total loss of their investment.</p>
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Section E – Offer		
E.2b	Reasons for the offer and use of proceeds	The proceeds from the issue of the Securities will be used to finance the Issuer's general business activities. The Issuer intends to generate profits from the issue and will also use the issue proceeds to hedge against risks arising from the issue.
E.3	Description of the terms and conditions of the offer	<p>Issue Price: ●</p> <p>Issue Date: ●</p> <p>Value Date (<i>Data di Valuta</i>): ●</p> <p>Offer Size: ●</p> <p>Minimum Trading Volume: ●</p> <p>Public Offer: <i>[insert only in the case of a private placement which at the same time is admitted to trading on a regulated market: Not applicable.]</i></p> <p style="text-align: right;"><i>[in Italy starting from: ●]</i></p> <p>The Issue Price of the Securities was determined by the Market Maker.</p> <p><i>[If placement is planned by door-to-door selling as described below then insert:</i></p> <p>●, with registered office ● (website: ●) will act as lead manager (the "Lead Manager"), "<i>Responsabile del Collocamento</i>" pursuant to article 93-bis of the Italian Legislative Decree n. 58 dated 14.2.1998, as amended,</p>

		<p>in connection with the Offer.</p> <p>The Offer Period for the Securities placed through "door-to-door selling" (pursuant to Article 30 of the Italian Legislative Decree n. 58 dated 24. February 1998, as amended, the "Italian Financial Service Act") shall be from ● (inclusive) to ● (inclusive), save in case of early termination or extension as agreed between the Issuer and the Lead Manager.]</p>
E.4	Interests that are material to the issue/offer (including conflicts of interest)	<p>Conflicts of interest may exist among the companies of the Vontobel Group that may have a negative effect on the value of the Underlying and therefore the value of the Securities.</p> <p><u>Trading transactions relating to the Reference Instrument</u></p> <p>During the term of the Securities, the companies of the Vontobel Group may be involved in trading transactions, for their own account or for a customer's account, that directly or indirectly relate to the Reference Instrument. The companies of the Vontobel Group may also become counterparties in hedging transactions relating to the Issuer's obligations arising from the Securities. Such trading or hedging transactions may have a negative impact on the value of the Reference Instrument and thus have a negative impact on the Underlying and the value of the Securities.</p> <p><u>Exercise of other functions by companies of the Vontobel Group</u></p> <p>The Underlying of the Securities is a proprietary index composed and calculated by Bank Vontobel AG, Zurich, a company affiliated to the Issuer as Index Calculation Agent. The index calculation agent consequently has a direct influence on the Underlying and therefore – due to the dependence of the Securities on the performance of the Underlying – also on the value of the Securities.</p> <p>The Issuer and other companies of the Vontobel Group may also exercise other functions in relation to the Securities, e.g. as calculation agent and/or as market maker. Such function may enable the Issuer and/or other companies of the Vontobel Group to determine the composition of the Underlying or to calculate its value. These functions may also lead to conflicts of interest, both among the respective companies of the Vontobel Group and between these companies and the investors, in determining the prices of the Securities and in making other associated determinations.</p> <p><u>Activity as Market Maker for the Securities</u></p> <p>Bank Vontobel Europe AG will act as market maker (the "Market Maker") for the Securities. Through such liquidity providing activities, the Market Maker – supported by other companies of the Vontobel Group – will determine the price of the Securities on the basis of internal pricing models and a number of other factors.</p> <p>As a result, the prices set by the Market Maker may differ significantly from the fair value of the Securities or the value they would be expected to have in economic terms at a particular point in time. In addition, the Market Maker may at any time revise the method it uses to determine the prices quoted, e.g. by widening or narrowing the spreads between bid and offer prices.</p> <p><u>Payment of commissions, own interests of third parties</u></p>

		In connection with the placing and/or the Public Offer of the Securities, the Issuer or other companies of the Vontobel Group may pay commissions to third parties. It is possible that these third parties may pursue their own interests in the course of making an investment decision or investment recommendation.
E.7	Estimated expenses charged to the investor by the Issuer or the Offeror	<p>– not applicable –</p> <p>The investor may purchase the Securities at the Issue Price or at the selling prices quoted by the Market Maker during the term of the Securities. These prices include all costs incurred by the Issuer, Offeror and Market Maker for the issue and distribution of the Securities (e.g. sales and distribution costs, structuring and hedging costs, including a profit margin) (with respect to the reduction in value of the Securities due to the index fee and, where applicable, the financing component, see C.15 above).</p> <p>Details of any transaction costs should be requested from the relevant sales partner or from the investor's house bank or broker. No further expenses will be charged to the investor by the Issuer or the Offeror beyond the Issue Price or the selling price.</p>

III.RISK FACTORS

The principal objective of this chapter is to protect potential purchasers of the securities (Constant Leverage Certificates) from investments that are not suitable for them, and to make investors aware of the related economic contexts that could result in significant changes in the value of the Securities.

No-one should purchase the Securities without having detailed knowledge of their method of operation, the total costs involved and the related risk factors. Only those who are in no doubt about the risks and are financially able to bear the losses that may be associated with them should purchase these types of Securities. When making a decision about the purchase of the Securities issued under the base prospectus dated 3 May 2016 (the "**Base Prospectus**" or the "**Prospectus**"), investors should therefore **carefully** read the risk factors and conflicts of interest described below, together with the other information contained in the Base Prospectus, understand the **terms and conditions of the issue in detail and assess the suitability of the relevant investment, in each case taking into account their own financial, tax and other circumstances.** In cases of doubt potential investors should seek advice by a competent investment, legal or tax advisor.

The occurrence of these risks, individually or collectively, may have a considerable adverse effect (**up to and including total loss** of the capital invested plus the costs incurred, such as custodian fees or brokerage or stock exchange commissions) on the value of the Securities issued under the Base Prospectus or on the ability to trade them in the secondary market, have a material negative impact on the business of Vontobel Financial Products GmbH (the "**Issuer**") and of Bank Vontobel Europe AG in its capacity as guarantor (the "**Guarantor**") and have significant adverse effects on the assets and liabilities, financial position and profits and losses of the Issuer and the Guarantor.

The following discussion and analysis is intended to illustrate the risks relating to the method of operation of the Securities issued under the Base Prospectus and the risks associated with the Issuer and with the Guarantor. The following discussion and analysis and the examples it contains do not permit any conclusions to be drawn about specific product features of the Securities.

The following discussion and analysis of the risks relating to the Securities is divided into four sections:

- (i) Significant risk factors applicable to all products (see section III.1 on page 29 et seq. of the Base Prospectus)

This section deals with risks that apply in principle to all types of Securities covered by the Base Prospectus (Constant Leverage Certificates) and are therefore in principle independent of the composition and calculation of the Underlying (as defined below).

- (ii) Significant risks applicable to specific underlyings (see section III.2 on page 41 et seq. of the Base Prospectus)

The performance of the Securities described in the Base Prospectus is primarily dependent on the performance of the underlying instruments (each an "**Underlying**") to which they are linked. The investor may be exposed to further risks – in addition to those described under (i) – resulting from the link to a particular Underlying. They are explained in this section.

- (iii) Risks relating to the Issuer (see section III.3 on page 52 et seq. of the Base Prospectus)

The principal risks relating to Vontobel Financial Products GmbH as Issuer of the Securities are discussed in this section.

(iv) Risks relating to the Guarantor (see section III.4 on page 53 et seq. of the Base Prospectus)

This section discusses the principal risks relating to Bank Vontobel Europe AG in its capacity as Guarantor for issues of Securities by the Issuer.

The chosen order or extent of the discussion and analysis does not represent a statement either on the probability of occurrence or on the severity and significance of the individual risks. In addition, there is a possibility that the Issuer will not be able, for reasons other than those described in this section, to make payments on the Securities or in connection with them. This may be, for example, because, on the basis of the information available at the time of preparing the Base Prospectus, the Issuer has not identified material risks as such or has not foreseen their occurrence. The same applies to the Guarantor with respect to the risk factors applicable to it.

References in the following to the "**Terms and Conditions**" relate to the "terms and conditions" as set out in the Base Prospectus in the form as completed by the Final Terms

References in the following to "**Securities**" are intended to include all forms in which securities may be issued under the Base Prospectus

1. Significant risks applicable to all products (in particular risk of total loss)

It should be noted as a general principle that the Securities are particularly risky investment instruments with the consequence that the capital invested by the investor may be totally lost (risk of total loss). In such case the loss will include the price paid for the Security and the costs incurred, such as custodian fees or brokerage and/or stock exchange commissions. This risk of loss exists irrespective of the financial condition of the Issuer and of the Guarantor.

Because the Securities are linked to the performance of an underlying (the "**Underlying**"), investors are exposed to the risk that the capital invested may not be repaid in full, or at least not in every case.

The Securities do not generate any current income (such as interest, dividends or other distributions) which could be used to offset losses in value of the Securities in full or in part. The only method of generating income is an increase in the price of the Security. Investors must always be aware that the market may perform differently from what they had hoped.

The investor's potential loss in this context always depends on the purchase price paid for the Securities and is calculated from the difference between the purchase price and the amount paid by the Issuer on redemption. If the Securities are sold instead of exercised by the investor, the potential loss is determined by the difference between the purchase price and the selling price of the Securities (taking into account the costs incurred in each case, such as custodian fees or brokerage and/or stock exchange commissions).

If the amount paid by the Issuer on redemption (the "**Cash Amount**") is less than the purchase price paid by the security holder (the "**Security Holder**"), the Security Holder will suffer a loss. **The loss of capital may be substantial; in the worst case investors may suffer a total loss of their investment.** Even if no loss of capital is incurred, there exists the risk that the return on a capital market investment with a similar maturity (based on the relevant exercise date) and a market rate of interest may not be achieved. Furthermore, the investor does not generally participate in normal distributions (e.g. dividends in the case of an underlying linked to shares) or comparable distributions by an Underlying or its constituents.

1.1 General risks relating to the structure of the Securities

The Securities issued under the Base Prospectus are known as Constant Leverage Certificates with various

Underlyings (Vontobel Leveraged Indices). The principal characteristic of Constant Leverage Certificates is that, after allowing for the ratio, they replicate the performance of the Underlying on a one-to-one basis.

The Underlying for Securities to be issued under the Base Prospectus may be factor indices (the "**Factor Indices**") linked to the following financial instruments (also referred to in the following as "**Reference Instrument**"): Shares, securities representing shares (ADRs/GDRs) or other dividend-bearing securities, indices, exchange rates, futures or interest rate futures, precious metals or commodities.

The value of the Securities during their term is affected by the performance of the Underlying. The Securities reflect the changes in price of the respective Underlying to which they are linked and are therefore subject to constant fluctuations in value (which may be substantial). All of the factors which result in changes in the price of the Underlying are also reflected in the price of the Securities. Consequently the value of a Security issued under the Base Prospectus will decline if the price of the Underlying falls.

The respective factors which determine the price of the Underlying (as described under section III.2 on page 41 et seq. of the Base Prospectus) may affect the performance of the Securities individually or in combination with other factors and to an extent that is variable and not predictable in advance. The higher the volatility of the Underlying is, the greater are the fluctuations in the price of the Securities. Investors must therefore form a well-founded opinion about the performance of the Underlying based on its structure in the particular case when making their investment decisions, and must be aware that the past performance of an Underlying or of a Reference Instrument does not permit any conclusions to be drawn about its future performance.

1.2 Risk relating to the level of the Cash Amount/on exercise by the Security Holder

The purchase of the Securities described in the Base Prospectus and in the Final Terms grants the investor the right, in accordance with the Terms and Conditions, to the payment of a cash amount, calculated in each case depending on the performance of the Underlying to which the Security is linked (taking into account the relevant ratio). There is no guarantee that the Securities will be repaid at their respective purchase price or at an amount that is characteristic for the individual security types.

If the value of the Underlying falls, Constant Leverage Certificates involve a risk of loss depending on the price of the Underlying. A total loss will occur if the price of the Underlying (i.e. the reference price) is equal to zero on the relevant day (the valuation date) for the calculation of the redemption amount (i.e. the Cash Amount in the event of exercise by the Security Holder).

1.3 Market price risks

Investors should be aware that the price of the Securities during their term may be significantly lower than the purchase price.

The price of a Security depends primarily on the price of the respective Underlying to which it is linked, but does not normally mirror changes in the price of the Underlying exactly. All of the

positive and negative factors affecting an Underlying are therefore also reflected in principle in the price of the Security.

The following circumstances in particular may have an effect on the market price of the Securities, and individual market factors may be mutually reinforcing or may cancel each other out i.e. may demonstrate a certain correlation to each other:

- Change in the intensity of fluctuations in price of the Underlying (volatility)
- Exchange rate movements
- General changes in interest rates
- Development of dividend payments where the Underlying consists of shares or distributions on Underlyings generally
- Changes in the creditworthiness or perceived creditworthiness of the Issuer or the Guarantor.

1.4 Option risks with respect to the Securities

The Securities described in the Base Prospectus are derivative financial instruments incorporating an option right which may therefore have many features in common with options. Transactions with options may involve a high level of risk. An investment in the Securities may be subject to very pronounced fluctuations in value and in some circumstances the embedded option will be completely worthless on expiry. In this event, the investor may lose the entire amount invested in the Securities.

The performance of the Securities is influenced by the performance of the respective option. If the value of the option declines, the value of the Securities may also decline in consequence.

1.5 Volatility risk

Volatility denotes the degree of fluctuation or extent of the movement in price of an Underlying/Reference Instrument or a Security within a defined period. Volatility is calculated on the basis of historical data and particular statistical procedures. The higher the volatility is, the greater are the movements in price both upwards and downwards.

An investment in Securities or Underlyings with a high volatility is therefore fundamentally more risky than an investment in Securities or Underlyings with low volatility since it entails greater potential for incurring losses.

1.6 Risks relating to historical performance

Investors should note that the past performance of an Underlying, of its Reference Instrument or of a Security is not an indicator of its performance in the future. It is not possible to predict on the basis of historical data whether the market price of an Underlying, its Reference Instrument or Security will rise or fall.

If the price of an Underlying develops contrary to its past performance and if investors have selected a Security trusting in such past performance, investors may suffer a loss up to a total loss of the capital invested.

1.7 Risks relating to financing the purchase of the Security with a loan

Investors should be aware that, if the purchase of the Securities is financed with a loan, then in the event that expectations are not realised, not only will the investor have to absorb the loss of the price paid for the Securities, but payments of interest and principal on the loan will also have to be made. This increases the risk of loss significantly. Before purchasing Securities using debt, investors must therefore consider whether they will still be able to pay the loan interest and repay the loan at short notice if necessary, in the event that a loss or even a total loss is incurred.

Since the Securities do not provide any current income (such as interest or dividends), investors must not assume that they will be able to use such current income to service any loan interest falling due during the term of the Securities.

1.8 Transactions designed to exclude or limit risk

Investors cannot rely on the price of the Underlying moving in a direction that is favourable from the investors' point of view or assume that – in the event of a price decrease – the value of the Securities will recover.

Investors may not be able to hedge adequately against the risks associated with the Securities. Purchasers of Securities should furthermore not assume that they will be able to purchase other securities or enter into legal transactions during the term of the Securities that could exclude or limit the risks from purchasing the Securities. The extent to which this is possible in specific circumstances depends on the prevailing market conditions and the respective terms and conditions. It may therefore not be possible to enter into such transactions at all, or only at an unfavourable (i.e. loss-making) price.

The risk described above applies especially to these Securities since the Underlyings consist of proprietary indices (i.e. indices composed and calculated by Bank Vontobel AG, Zurich, a company affiliated with the Issuer) that are not established in the market themselves and on which, for example, there are no options or futures contracts.

1.9 Inflation risk, risk of losing purchasing power

Investors should always take into account the decline in the value of money in the future when considering the intended duration of the investment or term of the Securities and the expected return for an investment in the Securities. The decline in the value of money has a negative effect on the real value of assets held and on the return generated in real terms. The higher the rate of inflation, the lower the real return on a Security. If the rate of inflation is equal to or higher than the return, the real return will be zero (0) or even negative.

1.10 Risks due to the economic cycle

Losses from a fall in prices may arise because investors do not take the cyclical performance of the economy with its corresponding upward and downward phases into account, or do not do so correctly, when making their investment decisions and consequently make investments, or hold or sell Securities, at phases of the economic cycle that are unfavourable from their point of view. In particular, the prices of securities and currencies vary in the strength of their reaction to announced, proposed and actual changes in government economic and financial policy. For example,

the effect of domestic or European measures on a country's general economic situation may be such that setbacks are experienced on the money and capital markets even though the prospects for future developments were originally considered to be favourable, or vice versa.

1.11 Psychological market risk

Factors of a psychological nature may also have a significant influence on the price of the Underlyings and therefore on the performance of the Securities. These frequently irrational factors are almost impossible to assess. For example, moods, opinions and rumours may cause a decline or an increase in the price of the Underlying or of its Reference Instrument (and thus the price of the Securities) even though the fundamental data (e.g. the results of operations or future prospects of a quoted company or demand for a particular commodity) have not necessarily changed. If, through such effect, the price of the Underlying or of its Reference Instrument is affected to the contrary of the market expectations of the investor, the investor may suffer a loss.

1.12 Risks relating to Trading in the Securities, liquidity risk

Where indicated in the Final Terms, applications will be made to include the Securities or admit them to trading on a stock exchange. Even after the Securities have been included and/or admitted, their continued permanent admission cannot be guaranteed. If such inclusion and/or admission cannot be permanently maintained, it is possible that it will be significantly more difficult to purchase and sell the relevant Securities. Even if the Securities are included and/or admitted investors should note that this will not necessarily result in a high turnover in respect of the Securities.

Trading on the stock exchanges and market segments specified is subject to numerous statutory requirements and stock exchange rules and regulations. Investors should acquaint themselves with the regulations applicable on those exchanges and markets (such as the rules for cancelling trading transactions not executed at correct market prices, known as mistrades) prior to making a purchase of the Securities. As an example, a mistrade can be considered in the case of an error in the technical system of the stock exchange, the market maker or online broker, in the case of an obvious gross error made while inputting a price or a limit for an order or in the case of a buy or sell price (so called quote) provided by the responsible party that was obviously not determined at a price justified by the market, though the price formed the basis for the transaction. The application is ruled by the responsible department in accordance with the applicable rules. In this context possible investors might risk that any trades will be void as a result of an application filed by another market participant.

Bank Vontobel Europe AG, Munich, ("**Bank Vontobel Europe AG**") will act as market maker for the Securities (the "**Market Maker**"). The Market maker undertakes to provide bid and offer prices for the Securities pertaining to an issue subject to regular market conditions. However, Bank Vontobel Europe AG is neither obliged towards the Security Holders to take over this function nor to maintain the function as market maker once assumed.

In the event of extraordinary market conditions or extremely volatile markets, the Market Maker will not provide any bid and offer prices. The Market Maker will provide bid and offer prices for the Securities only under regular market conditions. However, even in the case of regular market conditions, the Market Maker does not assume any legal responsibility towards the Security Holders to provide such prices and/or that such prices provided by the Market Maker are reasonable.

The Market Maker might undertake towards certain exchanges, in accordance with the relevant rules of the exchange, to provide bid and offer prices with regard to a specific order or securities volumes (whereby such obligation shall not apply in exceptional situations, such as technical breakdowns,

special market situations, or the (temporary) sell-out of the issue). That obligation, however, will be only towards the relevant exchange. Third parties, including the Security Holders, are unable to derive any obligations of the Market Maker in this regard. This means that the Security Holders cannot rely on their ability to sell the Securities at a certain time or price. In particular, the Market Maker is not obliged to repurchase the Securities during their term.

Even if market making activities take place at the beginning or during the term of the Securities, this does not mean that there will be market making activities for the full duration of the term of the Securities.

For the aforesaid reasons, it cannot be guaranteed that a secondary market will develop with regard to the respective Securities that would provide the Security Holders with an opportunity to sell their Securities. The more restricted the secondary market, the more difficult it will be for the Security Holders to sell their Securities in the secondary market. Even if a secondary market develops, no prediction can be made about the price at which the Securities will be traded in the secondary market.

The inclusion and/or admission of the Securities does not necessarily increase their liquidity. Pricing on the stock exchanges normally only takes place within the spreads of the bid and offer prices quoted by the Market Maker and the relevant stock exchange order will generally be executed directly or indirectly against the Market Maker.

Potential investors must not assume that it will be possible to sell the Securities during their term and must be prepared to hold the Securities at least until the next exercise date to redeem the Securities in accordance with the Terms and Conditions (by submitting an exercise notice).

A Security Holder must not assume, in the case of either on-market or off-market trading, that market participants other than the Market Maker will quote bid and offer prices for the Securities. Investors must expect bigger spreads between bid and offer prices determined by the Market Maker in the case of structured securities in comparison to shares. When purchasing or selling the Securities in the secondary market the spread has to be considered in exchange and off-exchange trading.

Delays in determining prices or wider spreads may occur, in particular, in the case of market disruptions and system problems. System problems may include telephone problems, technical faults with the trading systems or power failures. Market disruptions occur in unusual market circumstances (e.g. exceptional market movements of the Underlying or special situations in the home market) or due to serious disturbances of the economic and political environment (such as terrorist attacks or a crash, i.e. a sharp fall in stock exchange prices within a short space of time).

A further consideration is that the Underlying is not a standard market (factor) index.

The issue size specified in the Final Terms corresponds to the maximum number of Securities being offered, but does not permit any conclusions to be drawn about the respective volume of Securities actually issued and deposited with the relevant central securities depository in accordance with the rules applicable in each case. This volume depends on the market conditions and may change during the term of the Securities. It should be noted that it is also not possible to draw any conclusions about the liquidity of the Securities in the secondary market on the basis of the issue size specified.

Companies of the Vontobel Group may buy or sell securities linked to the Reference Instrument of the Underlying or the Reference Instrument itself at any time in stock exchange or off-market transactions. There is no obligation to inform the Security Holders of any such purchases or sales. Such purchases or sales may have a negative impact on the respective price of the Securities.

1.13 Risks relating to the price determination for the Securities and the effect of transaction costs and commissions

Price determination for the Securities

Investors should note that the issue price and the bid and offer price for the Securities quoted in the secondary market may include a premium over the original mathematical value of the Securities (so-called fair value) that is not apparent to the investor. This so-called margin as well as the actuarial value of the Securities are determined by the Issuer and/or Market Maker in its own discretion on the basis of internal pricing models and a number of other factors. The determined, so-called margin may differ from premiums charged by other issuers or market makers for comparable securities. For the purpose of calculating the margin the following parameters are considered besides return: actuarial value of the Securities, price and volatility of the Underlying, supply and demand with regard to the Securities, costs for risk hedging and premium for risk assumption, costs for structuring and distribution of the Securities, commissions, if any, as well as license fees or management fees, if any.

Some of these factors may not have a consistent effect on the price of the Securities based on the relevant pricing models for the duration of the term, but may be taken into account at the Market Maker's discretion at an earlier time in a pricing context. This might include inter alia the margin included in the Issue Price.

For the aforesaid reasons, the prices provided by the Market Maker may deviate from the actuarial value of the Securities and/or the price to be expected from a commercial perspective, which would have formed in a liquid market at the relevant time in which several market makers acting independently of each other provide prices. In addition, the Market Maker may change the method based on which it determines the prices provided by it at any time, e.g. by changing its pricing models or using other calculation models and/or increasing or reducing the bid/offer spread.

If, during the opening hours of secondary trading in the Securities by the Market Maker and/or the opening hours of the relevant exchanges on which the Securities are included and/or admitted, the Reference Instrument of the Underlying is also traded on its home market, the price of such Reference Instrument will be taken into account in the calculation of the Underlying (Factor Index) and thus indirectly in the price calculation of the Securities. If, however, the home market of the Reference Instrument is closed while the Securities indirectly relating to that Reference Instrument are traded, the price of the Reference Instrument must be estimated. If the price of any Reference Instrument is estimated because its home market is closed, such an estimate may turn out to be accurate or too high or too low within hours in the event that the home market starts trading in the Reference Instrument. Accordingly, the prices provided by the Market Maker prior to the opening of the relevant home market in respect of the Securities will then turn out to be too high or too low.

Insofar as bid and offer prices for the Securities issued under the Base Prospectus are quoted also at times during which the home markets of the Reference Instrument are closed, this risk may affect any of the Securities. The same risk occurs where Securities are traded on days during which the home market of the Underlying is closed due to a public holiday.

Effect of transaction costs and commissions

Transaction costs and commissions associated with buying or selling the Securities as well as any taxes payable by the Security Holder will be charged to investors. This may lead to additional costs, especially in combination with a low order value.

It should be noted that the selling price of the Securities may include commissions which are charged by the Issuer or the Market Maker for the issue and/or which may be passed on by the Issuer or the Market Maker in full or in part to third parties (such as sales partners or investment advisers). This may result in a difference between the fair value of the Securities and the bid and offer prices quoted by the Market Maker; this difference is generally higher at the start of trading in

the Securities and is (swiftly, as the case may be) reduced over time. Any commissions included in the price will reduce the return the investor is able to achieve.

It should also be noted that the payment of these commissions to sales partners may generate conflicts of interest to the disadvantage of the investor, because this could create an incentive for the sales partner to sell products with a higher commission to its customers in preference to other products. Investors should therefore seek information from their house bank or financial adviser as to whether such conflicts of interest exist.

Any commissions included in the price may be dependent on the volume of sales and may be passed on to third parties as a single payment or pro rata over the term of the Securities. Within commissions in general, a distinction can be made between issue premiums, placing commissions and renewal commissions. Placing commissions are dependent on sales and are paid as a one-off payment or pro rata over the term; alternatively, the Issuer or the Market Maker may grant the relevant sales partner a corresponding discount from the issue price or the selling price quoted in the secondary market. Renewal commissions, also referred to as trail commissions, are paid to the sales partner on a recurring basis depending on the volume of the investment. Where issue premiums are provided for, they will generally be paid to the respective sales partner.

1.14 Risk relating to the taxation of the Securities

The payment of taxes, levies, fees, deductions or other amounts incurred in connection with the Securities is the responsibility of the respective Security Holder and not of the Issuer. All payments made by the Issuer may be subject to taxes, levies, fees, deductions or other payments required to be made, paid, withheld or deducted.

The information contained in the Base Prospectus with respect to the taxation of the Securities merely reflects the opinion of the Issuer on the basis of the laws applicable at the date of the Base Prospectus and does not represent tax or legal advice. The possibility that the tax authorities and tax courts may apply a different tax treatment cannot be ruled out.

Tax laws and practice are subject to change, possibly with retrospective effect. This could have a negative effect on the value of the Security Holder's Securities and/or the market price of the Securities. Any such change may mean (i) that the tax treatment of the relevant Securities may be different from the treatment that the Security Holder thought was applicable at the date of purchase of the Securities; or (ii) that the information contained in the Base Prospectus relating to the tax laws and tax practice applicable to the Securities issued under the Base Prospectus is incorrect or no longer applicable in particular or all respects, or mean that material tax considerations relating to particular Securities are not included in the Base Prospectus.

Investors who are taxable in Germany should also note that due to the current administrative interpretations the tax authorities may not recognize a loss resulting from a low payout at the end of the term compared to the purchase price for tax purposes.

Moreover, the tax information provided in the Base Prospectus cannot serve as the sole basis for assessing an investment in the Securities from a tax point of view, since the particular situation of each individual investor must also be taken into account. Investors should always consult their personal tax advisers before deciding to purchase the Securities.

Financial Transaction Tax (several member states of the European Union)

On 14 February 2013 the EU commission put forward a proposal for a Directive ("**Draft Directive**") on a common system of financial transaction tax ("**FTT**"). Under the Draft Directive, the FTT is intended to be introduced in eleven EU member states (Belgium, Germany, Estonia, France, Greece, Italy, Portugal, the Republic of Austria, Slovakia, Slovenia and Spain; collectively the "**Participating**

Member States"). In the meanwhile, Estonia has announced its intention to no longer participate. The introduction of the FTT is currently expected to apply in 2017.

Under the Draft Directive, the FTT is proposed to be levied on financial transactions if at least one of the parties involved in the transaction is established in the territory of a Participating Member State and a financial institution established in the territory of the Participating Member State is a party to the transaction acting either for its own account or for the account of another person or is acting in the name of a party to the transaction. On the other hand, no FTT is intended to be levied on primary market transactions in accordance with Article 5 letter c of Commission Regulation (EC) No. 1287/2006, including the underwriting and subsequent allotment of financial instruments in the context of their issue.

The rates of FTT to be applied will be determined by the individual Participating Member States but would not be lower than 0.1% of the basis of assessment to tax for financial transactions that are not related to derivatives contracts. The basis of assessment to tax for such transactions is generally derived from the consideration paid or owed by the counterparty or a third party for the transfer. The FTT will be payable by any financial institution that is established in one of the Participating Member States or is deemed to be established within the meaning of the Draft Directive that is a party to the transaction and acting either for its own account or for the account of another person, that is acting in the name of a party to the transaction or for whose account the transaction is being executed. If the tax owed is not paid within the periods stipulated, all parties to a transaction, including persons other than financial institutions, are jointly and severally liable for the payment of the FTT due.

Potential Security Holders should therefore note that after application of the FTT each sale, purchase or exchange of the Securities in particular may be subject to taxation in the form of the FTT amounting to at least 0.1%. The Security Holder may itself be held liable to pay the FTT or to reimburse a payment of tax to a financial institution involved in the transaction. This may also affect the value of the Securities.

The Draft Directive is currently still under negotiation between the Participating Member States and is therefore subject to change at any time. Furthermore, the Draft Directive must still be approved as a directive and implemented into the respective national law of the Participating Member States, which may result in differences between the individual national regulations and the directive. Potential Security Holders should therefore obtain advice individually from their own tax advisers with respect to the consequences arising from the FTT of purchasing, holding and disposing of the Securities.

Dividend Equivalent Payments (United States)

On 17 September 2015, the U.S. Treasury Department released final regulations under Section 871(m) of the U.S. Internal Revenue Code (the "**Code**") which may impose U.S. federal withholding tax on "dividend equivalent" payments made on certain financial instruments linked to U.S. corporations (which the final regulations refer to as "**specified ELIs**") that are owned by non-U.S. holders. The Final Regulations contain a staggered effective date provision: Instruments issued on or before 31 December 2015 are grandfathered from the final regulations. For instruments issued on or after 1 January 2016 and on or before 31 December 2016 (i.e., issued in 2016), the final regulations apply to payments made on or after 1 January 2018. For instruments issued on or after 1 January 2017, the final regulations apply to payments made on or after 1 January 2017.

Although the applicability of Section 871(m) on the Securities is uncertain in material aspects, the determination of the requirement of a withholding tax by the Issuer or a withholding agent does not lead to the payment of any additional amounts in respect of this withholding tax or any other tax by the Issuer or a withholding agent.

1.15 Risks relating to the effect of hedging transactions by companies of the Vontobel Group

During the normal course of business, the companies of the Vontobel Group trade in the instruments underlying the Securities, as well as in derivative products based on those Underlyings. In addition, the companies of the Vontobel Group protect themselves against the financial risks associated with the Securities by entering into off-market hedging transactions negotiated individually between two parties (over-the-counter ("**OTC**") hedging transactions) in the relevant Underlyings and/or in derivatives on the Underlyings. These activities performed by the companies of the Vontobel Group – in particular the hedging transactions linked to the Securities – may influence the price of the Underlyings and thus indirectly the value of the Securities. In particular, the possibility cannot be ruled out that the inception or unwinding of these hedging transactions may have an adverse impact on the value of the Securities and/or the level of the Cash Amount to which the Security Holder is entitled. This applies in particular to the unwinding of hedging transactions towards the end of the Securities' term.

Hedging and trading transactions carried out by the Issuer and by companies of the Vontobel Group in a Reference Instrument of a Factor Index may have a negative effect on the value of the Securities.

In the event of abnormal market situations, where hedging transactions are not possible at all or only subject to more onerous conditions, the spreads between bid and offer prices determined by the Market Maker may widen. This can occur in particular outside the trading hours of a Reference Instrument underlying the Factor Index on the relevant reference exchange or at times when trading in the Reference Instrument is illiquid or unusually volatile for other reasons. No claims will arise for the investor from any hedging transactions that the Issuer and/or the companies of the Vontobel Group affiliated with the Issuer enter into internally to hedge the payment obligations arising from issuing the Securities.

1.16 Risks relating to adjustments, market disruptions, extraordinary termination, ordinary termination and settlement

In accordance with the Terms and Conditions in conjunction with the relevant index description, the Issuer or the Index Calculation Agent may make adjustments in order to reflect relevant changes or events relating to the respective Underlying or to its Reference Instrument. The nature of the adjustment and the method of implementing the adjustments depend on the particular Underlying and/or its Reference Instrument and can therefore have varying consequences.

The objective of adjustments is to ensure as far as possible that the financial (theoretical) value of the Securities or of the Factor Index is the same before and after the occurrence of an adjustment event, and to preserve the financial relationship between the Security and the Underlying or Reference Instrument.

If, in the reasonable discretion of the Issuer (*sections 315, 317 BGB*), this objective cannot be achieved by means of a sensible and reasonable adjustment, the Issuer also has the right in accordance with the Terms and Conditions to terminate the Securities extraordinarily and, thus, end the term of the Securities. In the event of adjustments with respect to an Underlying, the possibility cannot be excluded that the estimations on which the adjustment is based may prove with hindsight to be inaccurate, the adjustment may subsequently turn out to be disadvantageous for the investor and the investor may find itself to be in a worse financial position than it was prior to the adjustment or would be as the result of a different adjustment.

If the Issuer exercises its right of extraordinary termination, it is in this case not obligated to redeem the Securities by payment of the Cash Amount specified in the Terms and Conditions, but

only to the extent of the market price determined at that time or of an amount determined in its reasonable discretion. This entails the risk that the amount payable may be significantly lower than the Cash Amount required to be determined in accordance with the Terms and Conditions and that, at the date of redemption of the Securities, the investment may show a (significantly) lower return than would be expected if the Securities were exercised. **In the most unfavourable case, the value of the redemption may even be zero, resulting in not just a partial loss of the capital invested, but a total loss.**

With the exception of the exercise right of the Security Holder as provided for in the terms and conditions, there is no ordinary or extraordinary termination right of the Security Holder in principle.

In addition the relevant terms and conditions determine an ordinary termination right of the Issuer. In those cases the issuer will repay an amount, that is calculated analogous to the cash amount. However the investor can neither rely on the adoption, that the security is of any value at this time nor that the security has a positive yield. In particular the investor cannot rely on the adoption, that the price of the securities will develop timely to the termination date in accordance with the expectations of the investor. Hence the securities are suitable only for those investors, which are able to assess risks involved and are able to bear the respective losses. Therefore the investor has to bear a risk with regard to the term of his investment. In addition investors should note in this context, that the exchange trading of the securities may end before the termination date in case of an ordinary termination by the issuer. The off-market trading ends not later than 12:00 clock noon (local time Frankfurt/Main) at the termination date.

For the purpose of determining the appropriate market price in the event of extraordinary termination, the calculation agent may take a variety of market factors into account. In the case of Securities with a finite term linked to shares as the Underlying, the calculation of the extraordinary termination amount in the event of termination following a takeover offer can in principle be based on the price of the Underlying after the takeover offer has been announced, in accordance with the usual procedure on derivatives exchanges for determining the theoretical fair value, provided that the consideration consists entirely or mainly of cash. However, dividend expectations and the average implied volatility for the ten trading days preceding the announcement of a takeover offer, in particular, must also be taken into account ("fair value method"). The fair value method ensures that the remaining time value of the underlying option is taken into account. The Issuer may determine on the basis of specified parameters that a market disruption has occurred or is persisting. In this event there may be a delay in valuing the Securities in relation to the Underlyings, and this may affect the value of the Securities and/or delay the payment of the Cash Amount.

In the case of adjustment events, market disruptions and extraordinary termination, the Issuer acts in its reasonable discretion (*in accordance with sections 315, 317 BGB*). It is not bound by actions or estimates of third parties in this regard. In certain cases specified in the Terms and Conditions (e.g. if a market disruption persists for a certain period) the Issuer can also determine certain prices in its reasonable discretion that are applicable in accordance with the Terms and Conditions for redemption.

During settlement, the Issuer is not liable for actions or omissions of settlement agents.

1.17 Information risk

There is a possibility that investors may make incorrect decisions because of missing, incomplete or incorrect information, which may be outside the Issuer's control. Incorrect information may arise as a result of unreliable sources of information, incorrect interpretation of correct information, or as a

result of transmission errors. In addition, an information risk may arise as a result of too much or too little information, or if the information provided is not up to date.

1.18 Currency risk

Where the respective Underlying is denominated wholly or partly in a currency other than the settlement currency, the Issuer will specify in the Final Terms how conversion into the settlement currency will take place.

If the reference price for the purposes of redemption or another payment is converted into the settlement currency at the applicable conversion rate in accordance with the Terms and Conditions, the investor is exposed to a currency risk because the rate of exchange between the currency of the Underlying and the settlement currency on the date of the currency conversion may be different from the rate of exchange at the date when the Securities were purchased.

Changes in the rate of exchange between the currency of the Underlying and the settlement currency will already affect the value of the Securities during their term, since the bid and offer prices are quoted in the relevant settlement currency.

Exchange rate movements may reduce the value of the Securities even if the price of the Underlying expressed in a foreign currency has performed positively from the investor's point of view since the date of purchase of the Securities. The investor's risk of loss is then not just linked to the performance of the Underlying on which the Security is based. An additional factor which must be noted is that the relevant exchange rate for the purposes of the currency conversion may change between the time at which the relevant price of the Underlying for the purpose of calculating the Cash Amount is determined and the time at which the relevant exchange rate is determined, with the result that a Cash Amount converted into the settlement currency may be reduced accordingly.

Potential investors should be aware that an investment in the Securities may also involve exchange rate risks if the Securities are linked to a Factor Index with an exchange rate as the Reference Instrument.

Furthermore, a currency risk also exists if the settlement currency of the Securities may be different from the investor's domestic currency or the currency in which an investor wishes to receive payments.

The rates of exchange between currencies are determined by supply and demand on the international foreign exchange markets which are influenced by a variety of factors, such as speculative activity, general economic factors and interventions by central banks and government agencies or other political factors (including foreign exchange controls and restrictions). Exchange rate movements may have an effect on the value of the Securities and in relation to the amounts payable. The risks described above may intensify if the relevant currency is the currency of an emerging market.

1.19 Interest rate risk

An investment in the Securities entails an interest rate risk as a result of fluctuations in the rate of interest payable on deposits in the settlement currency of the Securities. This may have implications for the market value of the Securities.

Interest rates are determined by supply and demand on the international money markets, which are influenced by a variety of factors, such as speculative activity, general economic factors and interventions by central banks and government agencies or other political factors. Fluctuations in

short-term or long-term interest rates may affect the value of the Securities in ways which are unfavourable from the investor's point of view.

2. Significant risks applicable to specific Underlyings and/or Reference Instruments

The Securities are linked to an Underlying, the respective Factor Index (the "**Index**"). The performance of the Factor Index is primarily dependent on the performance of another financial instrument, the "**Reference Instrument**". Factor Indices linked to shares, securities representing shares (ADRs/GDRs) or other dividend-bearing securities, indices, exchange rates, futures or interest rate futures, precious metals or commodities as the Reference Instrument may be specified as Underlying. The Issuer will specify the Underlying to which the Security being issued is linked in the Final Terms, which will also contain the index description setting out the specific features of the Underlying (e.g. the Reference Instrument to which it is linked) and how it is calculated.

A feature common to all of the Securities presented in the Base Prospectus is that the level of the Cash Amount is linked to the performance of the Underlying. The performance of the Underlying may be subject to fluctuations over time. From the investor's point of view, a decrease in the Underlying is unfavourable. Depending on the structure of the Underlying, an increase or a decrease in the Reference Instrument has unfavourable consequences for the investor. There is no guarantee that the Reference Instrument and therefore the Underlying will move in a direction that is favourable for the respective investor and corresponds to the investor's expectations.

The amounts payable in respect of the Securities when due are therefore determined entirely by the price of the Underlying, as set out in the respective Final Terms. For these Securities, the risks arising from the specific Underlyings relate firstly to the way in which the Underlying is designed and calculated and secondly – in addition to other features affecting its value – to the fact that the performance of the Index depends on the performance of the Reference Instrument. Such risks are explained in the following sections.

Investors in this type of Securities should therefore ensure that they understand the design of the Index (as set out in the index description), the effects of the (leveraged) link to a Reference Instrument and the accompanying risks. Accordingly, investors should carefully read the Base Prospectus and the respective Final Terms.

In evaluating the Securities and the Underlying, the investor must take into account the fact that the Underlying is not an index that is established in the market. Instead, the Index is calculated by Bank Vontobel, AG, Zurich, a company affiliated with the Issuer, essentially only for the purpose of serving as an Underlying for these Securities.

2.1 Risks relating to the design and calculation of the Factor Indices

If the value of the Underlying (Factor Index) **falls**, all of the Constant Leverage Certificates are exposed to a risk of loss dependent on the level of the Underlying. A total loss will occur if the relevant price of the Underlying (the reference price) for the purpose of calculating the redemption amount (i.e. the Cash Amount upon exercise by the Security Holder or the Ordinary Termination Amount in the event of an Ordinary Termination by the Issuer) is equal to zero (0).

The value of the Security depends on the performance of the Underlying and therefore – as a consequence of the design of the Factor Index – primarily on the performance of the Reference Instrument. The Reference Instrument may be a share, security representing shares (ADR/GDR) or other dividend-bearing security, index, exchange rate, future or interest rate future, precious metal or commodity. A change in the price of the Reference Instrument may result in the Index not

moving in the direction expected by the investor and the Cash Amount of the Security falling significantly below the purchase price, which will represent a substantial loss for the investor.

Where reference is made in the following to a share as the Reference Instrument, the information given also applies analogously to securities representing shares or other dividend-bearing securities.

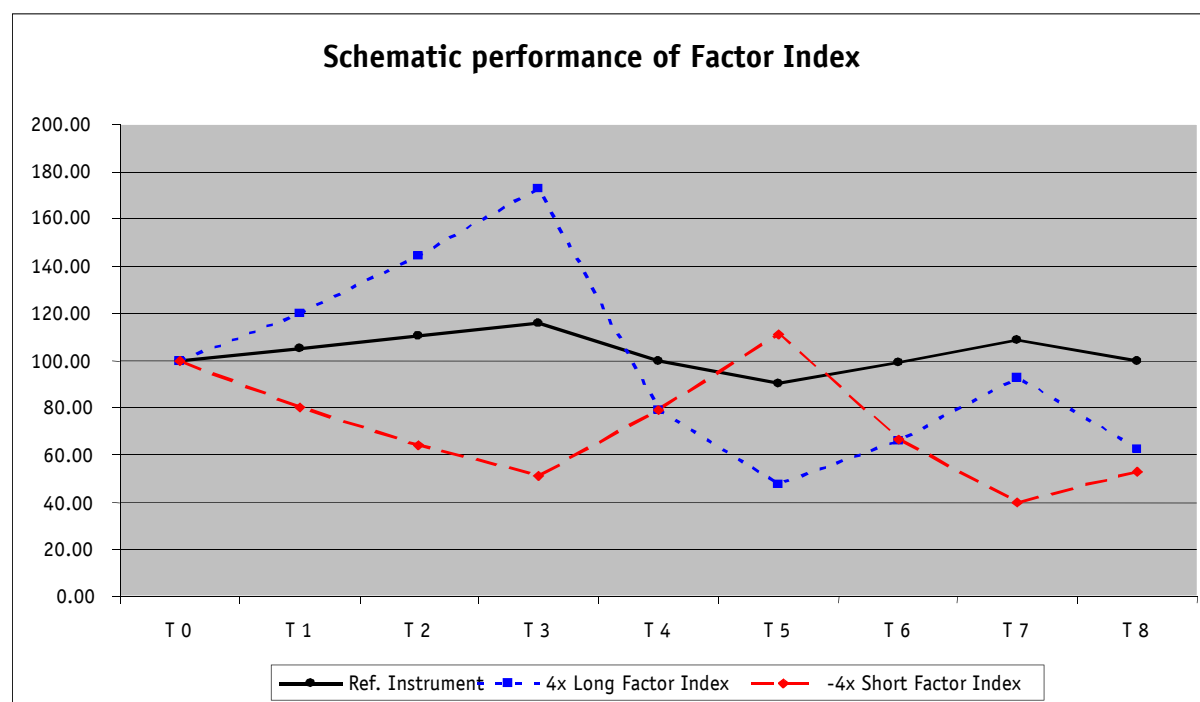
2.1.1. Disproportionate risk of loss due to the leverage effect

A feature common to all types of Factor Indices is that the movements in the price of the Reference Instrument are multiplied by a degree of leverage (**Factor**). The amount of the leverage is not determined until the date of issue and is specified in the index description. As a result of this leverage effect, the Securities entail disproportionate risks of loss. For example, a change in the price of the Reference Instrument which is unfavourable for the investor will result in a disproportionately negative change in the value of the Security. The higher the specified degree of leverage is, the more rapidly the risk of loss attaching to an investment in the Securities increases. For an investor in a **long** Factor Index, downward movements in the Reference Instrument have a disproportionately negative effect on value, while for investors in a **short** Factor Index, upward movements in the Reference Instrument have a disproportionately negative effect on value.

The investor must consider that even sideways movements (the price rises and falls alternately) in the Reference Instrument may result in price losses: In the course of the daily calculation of the Factor Index, the effect of the leverage component is that the daily movement in the price of the Reference Instrument is magnified by the degree of leverage. The reference point for the calculation of the Index is the closing price of the Index on the preceding day, in accordance with the index description. If the price of the Reference Instrument falls on one day and returns to its initial value on the next, a long Factor Index has lost value – and the loss will be greater the higher the leverage is. Equally, a short Factor Index will have lost value if the price of the Reference Instrument rises on one day and returns to its initial value on the next – and the loss will be greater the higher the leverage is (the leverage factor is preceded by a negative sign in case of short Factor Indices).

A Factor Index therefore "realises" the daily (leveraged) gains and losses as a result of the daily determination of a new closing price of the Index, which then serves as the basis for the subsequent calculation of the Index. This effect of the leverage also means that a Factor Index can suffer a significant fall in value even though the price of the Reference Instrument has not changed materially.

The sole purpose of the following, theoretical example (which does not take the financing component into account) is to **illustrate the effect of volatile sideways movements in the Reference Instrument** on the performance of Factor Indices and, in particular, it does not allow any conclusions to be drawn with respect to specific features of the Securities to be issued, their Underlyings or their Reference Instruments.



2.1.2. Risks relating to the intraday index adjustment

The index description for all types of Factor Indices provides for an intraday index adjustment if the losses in the Index reach a certain threshold or barrier. However, this mechanism can only mitigate further losses in the Index and therefore also further losses in value of the Security. The losses may nevertheless be substantial. The barrier should therefore not be regarded as a "safety buffer".

The amount of the losses also depends on the level of the barrier. Moreover, the intraday index adjustment results in an immediate "realisation" of the losses accrued, since any recovery in value can only start from this index level which is now lower.

The following theoretical example (which does not take the financing component into account) is intended to illustrate this:

Factor Index: 4x long Index on a share as the Reference Instrument
 Barrier: 10% (**Variation 1**) and 20% (**Variation 2**)
 Closing price of the share on the preceding day (T-1): 20 currency units
 Index closing value on the preceding day: 100 currency units
 Closing price of the share on day T: 16 currency units (i.e. 20% weaker)

Variation 1

As soon as the share price reaches 18 (equivalent to -10%), an intraday index adjustment occurs in accordance with the index description, i.e. a new trading day is simulated. The Factor Index at this time has a value of 60 (equivalent to -40% = $4 \times -10\%$). 18 currency units then represent the new closing price of the share on the preceding day, and 60 currency units represent the new index closing value on the preceding day.

As soon as the share price reaches 16.20 (equivalent to a further -10% starting from the new closing price of the share on the preceding day of 18 currency units), another intraday index adjustment occurs in accordance with the index description, i.e. a new trading day is simulated once again. The Factor Index at this time has a value of 36 ($= 60 - 4 \times 10\%$), i.e. it realises once again a loss in value of 40%. This loss in value is calculated on the basis of an initial value of

60 currency units, since this was the level of the index closing value after the first intraday adjustment, see the preceding paragraph.

At the end of the day, the share closes at 16, i.e. it has lost a further 1.23% starting from the price of 16.20 at the time of the second intraday index adjustment. The Factor Index replicates the performance of the share in accordance with the leverage factor of 4, i.e. it falls a further 4.92% (starting from 36) to a value of only 34.23.

At the end of day T this means that the Factor Index has recorded a daily loss of around 66% (after the intraday adjustments), while the share has lost a total of only 20% of its value.

Variation 2

If the barrier were 20% and if the lowest price of the share of 20% below the closing price for the preceding day were not reached until the close of trading (i.e. no intraday adjustment), the Factor Index would close at 20 and therefore suffer a daily loss of 80% ($4 \times -20\%$).

In both variations, the Securities (Constant Leverage Certificates) would reproduce the performance of the Factor Indices on a 1 : 1 basis (before taking into account the ratio, which may be different).

An intraday index adjustment can also result in losses in the Index and therefore in the value of the Securities in the event of significant intraday fluctuations in the Reference Instrument. This will be the case, for example, even if the Reference Instrument returns to its initial level by the close of trading, see also the details provided above in section III.2.1.1 on page 42 et seq. of the Base Prospectus.

The following theoretical example (which does not take the financing component into account) is intended to illustrate this effect:

Factor Index:	4x long Index on a share as the Reference Instrument
Barrier:	5% (<i>Variation 1</i>) and 10% (<i>Variation 2</i>)
Closing price of the share on the preceding day (T-1):	20 currency units
Index closing value on the preceding day:	100 currency units
Lowest share price (intraday):	18.60 (i.e. 7% weaker)
Closing price of the share on day T:	20 currency units (i.e. same as previous day)

Variation 1

As soon as the share price reaches 19 (-5%), an intraday index adjustment occurs in accordance with the index description, i.e. a new trading day is simulated. The Index at this time has a value of 80 (equivalent to $-20\% = 4 \times -5\%$).

At the end of the day, the share closes at 20 (i.e. unchanged from the preceding day). However, in view of the fact that the Factor Index has been subject to an intraday adjustment, its performance is calculated from a starting level of 80. Since the share has risen by 5.26% from 19 (at the time of the adjustment) to 20 by the close of trading, the Factor Index increases by 21.04% ($4 \times 5.26\%$). But because of the intraday adjustment, this increase is calculated from a value of 80, with the result that at the end of day T (after the intraday adjustment) the Factor Index closes at 96.83.

Although the share is unchanged compared with the preceding day, the Factor Index, and therefore also any Factor Certificate linked to it, has recorded a loss of more than 3% due to the intraday adjustment.

Variation 2

There would have been no intraday index adjustment and the Factor Index would again have closed at 100.

2.1.3. Risks from the financing component

A financing component is also taken into account for the purposes of calculating the Index. The financing component consists of two elements: (i) the index fee (see below under section III.2.1.4 on page 45 et seq. of the Base Prospectus) which always reduces the value of the Index, and (ii) the income and expenses that would arise in the event of a theoretical, leveraged investment in the Reference Instrument.

In the case of **long** Factor Indices on **shares, indices** and **precious metals** or **commodities**, **costs reducing the value of the Index are always** incurred.

In the case of **short** Factor Indices on **shares, indices** and **precious metals** or **commodities**, costs are incurred for acquiring the Reference Instrument by means of repurchase agreements, while income is earned from investing the proceeds of the short sale of the Reference Instrument as overnight money. The amounts of the income and costs may change over time. If the costs are higher than the income, the effect is to reduce the value of the Factor Index.

In the case of Factor Indices on **exchange rates**, costs are incurred for procuring capital in one of the currencies of the currency pair, while income is earned from investing the capital in the other currency of the currency pair. The amounts of the income and costs may vary over time in this case as well. If the costs are higher than the income, the effect is to reduce the value of the Factor Index.

In the case of Factor Indices on **futures** and **interest rate futures**, the costs of margin payments as a collateral for the investment in the respective contract are set against the income earned from an risk-free investment of the equivalent value of the index at the relevant interest rate. If the costs are higher than the income, the effect is to reduce the value of the Factor Index.

The investor should note that the Index Calculation Agent (as defined in section III.2.2 on page 46 et seq. of the Base Prospectus) may determine some parameters for the purpose of calculating the financing component in its own discretion. The exercise of such discretion may differ from the estimation of other market participants.

2.1.4. Index fees

The investor must consider that, for the purposes of calculating the Index, an ongoing fee for the administration and calculation of the Factor Index is deducted from the level of the Factor Index. The deduction of the index fee generally results in a reduction in the value of the Factor Index and therefore also of the Securities.

2.1.5. Specific risks for individual indices

Risks in the case of **long** Factor Indices (sharp rise in the interest rate or the financing spread)

For a long strategy, replicated by long Factor Indices, an investor would have to borrow money. The (theoretical) interest payable is included in the calculation of the Factor Index. If the interest rate for overnight money rises sharply and/or the credit worthiness (or rating) of the respective investor deteriorates and the financing spread rises as a result, this may have the effect of substantially reducing the value of the Factor Index.

Risks in the case of **short** Factor Indices on shares (low liquidity in the share)

For a short strategy, replicated by short Factor Indices, an investor would have to borrow shares in order to sell them short. A fee would need to be paid for such borrowing of shares, determined by supply and demand for the share. This (theoretical) fee is included in the calculation of the Factor Index. In the event of a shortage of shares available for borrowing (e.g. declining liquidity as the result of a takeover offer or in anticipation of one), there may be a jump in this fee which may then result in a reduction in the value of the Factor Index.

Change in the tax treatment of dividends

A change in the tax treatment of dividends (from the point of view of the Index Calculation Agent) may mean that the Index Calculation Agent will no longer include dividends distributed on shares in the calculation of the Factor Index in the same amounts as before. In the case of **long** indices on shares, this will have the effect of reducing the value of the Index.

2.2 Risks from the linking of the Factor Index to a Reference Instrument

The Underlying for the Securities will always be a Factor Index, composed and calculated either by the Issuer or by another company of the Vontobel Group ("**Index Calculation Agent**"). As explained above, the performance of the Securities is primarily dependent on the Underlying Factor Index, while its performance is in turn primarily dependent on the value of the Reference Instrument. Specific risks apply to particular Reference Instruments and are explained in the following section. Past experience shows that the risks specific to particular Reference Instruments will generally result in a fall in the rate or price of the Reference Instrument or in extreme cases in the Reference Instrument expiring worthless. For investors in Securities on **long Factor Indices**, such movements in the Reference Instrument are unfavourable and therefore represent a risk relating to the Securities. For investors in Securities on **short Factor Indices**, on the other hand, the risk is represented by rising rates or prices of the Reference Instrument.

Depending on the effect of the risks described below on the rate or price of the Reference Instrument and therefore indirectly on the level of the Underlying, the crystallisation of these risks may result in investors suffering a total or partial loss of their investment.

2.2.1. Risks in the case of shares, securities representing shares and other dividend-bearing securities as the Reference Instrument

The price of a share, security representing shares or other dividend-bearing security (e.g. profit participation right, participation certificate) depends on a range of factors specific to the particular market and sector which are outside the control of the Issuer. The price of such securities may be subject to fluctuations and the development of the price depends on macroeconomic factors such as, for example, the rate of interest or level of prices on the capital market, the development of the currency, political or economic circumstances or other factors specific to the company which issued the securities in question (referred to in the following as the "**Issuer of the Shares**"). The Issuer of the Shares or companies affiliated to it may become insolvent or illiquid and the shares could even become worthless as a result.

The intensity of the risks is also affected by the respective market capitalisation. Shares of companies with a low market capitalisation may be highly illiquid due to low trading volumes.

The regional situation should also be taken into account. Shares of companies that have their headquarters or their principal operating activities in countries with a low level of legal stability, for

example, are subject to the risk of detrimental and unexpected actions by governments or nationalisations.

If such risks materialize, the Security Holder of the Securities linked to Factor Indices with shares as the Reference Instrument may lose their investment totally or partially.

If the Reference Instrument is a share that was not issued under the investor's domestic laws but under the laws of another state, the rights arising from or to those shares may be assessed wholly or partly in accordance with that state's laws which are foreign to the investor. In that case, the jurisdiction to which the shares are subject may include provisions as a result of which in the event of the company facing financial difficulties or insolvency, for example, the relevant shares may decline in value more rapidly or to a greater extent than would be the case if the shares were subject (only) to the investor's domestic laws. Such a decrease in value or fall in price may have a negative effect on the level of the Factor Index and therefore on the value of the Securities.

In the case of Securities linked to Factor Indices with shares as the Reference Instrument, the investor does not receive the dividends paid or other distributions on the respective share, in contrast to a direct investment.

Additional risks have to be taken into account where securities representing shares – mostly in the form of "**ADRs**" ("**American Depositary Receipts**") or "**GDRs**" ("**Global Depositary Receipts**") – are used as Reference Instruments.

ADRs are participation or depositary certificates issued in the USA by custodian banks; they certify a proportion of ownership in foreign shares. The shares on which the ADRs are based are usually held in the home country of the respective issuer of those shares outside the USA. ADRs are traded on stock exchanges around the world in lieu of the original shares. GDRs also represent a proportional interest in foreign shares. The original foreign shares are usually held in the home country of the respective issuer of those shares. They are different from ADRs in that they are generally offered to the public or placed outside the USA.

Each security representing shares certifies a certain proportional interest in the underlying foreign shares, i.e. one ADR or GDR may represent one share, multiple shares or even only a fraction of a share (known as the reference quantity). The market price largely corresponds to the market price of the underlying shares, taking the respective reference quantity into account. Negative variances are possible, for example because of fees levied by the custodian bank. The issuer of the underlying shares may make distributions with respect to the shares that are not passed on to the purchasers of the securities representing shares, as a result of which the value of the securities representing shares and therefore of the Securities may be affected. Securities representing shares and the underlying shares may be traded in different currencies. The resulting exchange rate fluctuations may have a negative impact on the value of the securities representing shares.

Fees charged by the custodian, which is generally located in the home country of the issuer of the shares, and by the custodian bank may have a negative impact on the value of the ADRs or GDRs and therefore also adversely affect the value of the Securities.

In the event of the insolvency of the custodian bank or foreclosure against it, the possibility cannot be ruled out that the portfolio of shares underlying the securities representing shares may be liquidated or that restrictions on the right of disposal may be imposed on it. This may render the securities representing shares and the Securities linked to them worthless. The investor is therefore additionally exposed – except for in the case of Securities with a short Factor Index as Underlying – to a risk of a total loss.

In addition, it should be noted in particular that, in the event of the insolvency of the custodian bank or if the custodian bank changes the terms and conditions or discontinues the offer of the securities representing shares or the securities representing shares are delisted, the Issuer has the right to amend the Terms and Conditions and/or terminate the Securities extraordinarily.

2.2.2. Risks in the case of indices as the Reference Instrument

If the Reference Instrument is an index, its performance is influenced by the performance of the index constituents.

Indices serving as Reference Instruments for the Securities presented in the Base Prospectus are not designed by companies of the Vontobel Group but by other providers (so-called sponsors). Investors must take note of the respective index descriptions and understand how the respective index functions. Investors cannot assume that the respective index will be successful; they must therefore form their own opinions of the index.

The value of the index is derived in principle from the value of its constituents in accordance with the investment and calculation rules. The level of an index therefore depends primarily on the performance of the individual constituents of which the respective index is composed. Changes in the composition of the index and factors that affect or may affect the value of the constituents are reflected in the value of the index and may therefore have an impact on the return from an investment in the Securities. Fluctuations in the value of one constituent may be reinforced by fluctuations in the value of another constituent. If the value of at least one constituent or of all the constituents is determined in a currency different from the currency in which the index is calculated, the investor may be exposed to implicit currency risk since values of the index constituents are converted into the currency of the index for the purpose of calculating the value of the index. Exchange rate fluctuations may mean that the value of the index constituent expressed in the currency of the index has fallen, although its price has in principle risen. Notwithstanding the aforesaid, there may also be a potential currency risk due to a deviation of the currency of the index from the currency of the Securities.

It should be noted that the constituents of such an index may be deleted or replaced, and that new constituents may be added or that changes may be made to the index methodology which may change the level of one or more constituents. The replacement of the constituents of an index may affect the level of the index since, for example, a newly added company may perform significantly better or worse than the company replaced, which may in turn affect the price of the Factor Index. Furthermore, the calculation or the promotion of the index may be revised, terminated or suspended. The sponsor of such an index or a reference agent is not involved in the offer and sale of the Securities and does not have any obligations towards the Security Holders. All measures relating to the index may be taken without regard to the interests of the Security Holders and any of these measures may have an adverse effect on the market value of the Securities.

Influence of distributions of the index constituents

If the Reference Instrument is a price index (PR), then it should be noted that distributions and income from individual index constituents (e.g. in the case of share indices: dividends) are not included in the calculation of the index level and have no effect on the calculation of the security right. An investor in (long) Constant Leverage Certificates linked to price indices, therefore, cannot participate in such distributions of the index constituents. On the contrary, dividend payments from the index constituents in this case generally result in a reduction of the index level and therefore in principle in a fall in the Reference Instrument.

In contrast, in the case of performance or total return (TR) indices, distributions and income from the index constituents are included in the calculation of the index level by the index calculation agent. Where the Index Calculation Agent does not include these amounts in the calculation in full, however, but reduces such distributions and income by a theoretical withholding tax, the method of calculation is also referred to as net return; the market does not make a clear distinction between total return and net return on a consistent basis, however.

Investors must therefore read the respective index descriptions to establish whether and, where relevant, to what extent distributions and income from individual index constituents are included in the calculation of the index level.

Correlation risk

A special feature of Factor Indices linked to indices as Reference Instruments is that the level of the index is based on the performance of a number of index constituents. For this reason, another factor affecting the value of the Securities is the correlation between the index constituents i.e. - expressed simply - the degree to which the performance of the individual constituents depends on the performance of the other constituents. For example, if all of the constituents originate from the same sector and country, a high positive correlation can be assumed. The correlation takes a value between '-1' and '+1', whereby a correlation of '+1', i.e. a high positive correlation, signifies that changes in the value of the constituents always move in the same direction. With a correlation of '-1', i.e. a high negative correlation, the constituents always move in exactly the opposite direction. A correlation of '0' indicates that it is not possible to make any statement about the connection between changes in the value of the constituents. Depending on the structure of the Factor Index, a high correlation between the individual constituents will increase the risk for the investor since diversification using different investment strategies is not being achieved or attempted.

2.2.3. Risks in the case of exchange rates as the Reference Instrument

The rates of exchange between currencies are determined by supply and demand on the international foreign exchange markets which are influenced by a variety of factors, such as speculative activity, general economic factors, interventions by central banks and government agencies or other political factors (including foreign exchange controls and restrictions). Exchange rate movements may have an effect on the value of the Securities and in relation to the amounts payable. The risks described above may intensify if the relevant currency is the currency of an emerging market.

In the case of exchange rates as the Underlying, if a country's key interest rate is increased, this may cause that country's currency to appreciate, because demand for government bonds normally rises in such cases. The converse may apply accordingly, with a cut in the base rate leading to depreciation of the country's currency.

Exchange rate movements may have an effect on the Reference Instrument and therefore on the level of the Factor Index and the amount paid on redemption. The risks described above may intensify if the relevant currency is the currency of an emerging market.

2.2.4. Risks in the case of futures and interest rate futures as the Reference Instrument

Futures and interest rate futures are standardised forward contracts based on financial instruments (e.g. shares, indices, interest rates, currencies, bonds) known as financial futures, or metals and commodities (e.g. precious metals, wheat, sugar), known as commodity futures. The price of a future or of an interest rate future therefore depends primarily on the performance of the relevant reference asset.

A futures contract constitutes the contractual obligation to buy or sell a certain amount of the relevant object of the contract at an agreed price and at a pre-determined date. Futures contracts are traded on derivatives exchanges and are therefore standardised with regard to contract size, nature and quality of the object of the contract and, if applicable, places of delivery and delivery dates.

There is generally a high positive correlation between the performance of the price of a reference asset on the spot market and on the corresponding futures market. However, futures contracts are traded at a premium to, or discount from, the spot price of the underlying reference asset. The difference between the spot price and the futures price, known as the "basis" in the terminology used on futures exchanges, is the result of the inclusion of costs usually incurred in connection with spot transactions (storage, delivery, insurance etc.) and of income usually generated through spot transactions (interest, dividends etc.) on the one hand, and differences in the evaluation of general market factors prevailing on the spot and futures markets on the other. Moreover, liquidity on the spot market may differ considerably from that on the corresponding futures market, depending on the reference asset.

Since the Factor Index is linked to the exchange price of the underlying futures contracts specified in the Terms and Conditions as the reference asset, a proper evaluation of the risks associated with the purchase of these Securities requires knowledge about the method of operation of and factors affecting the value of futures transactions - in addition to knowledge about the market for the financial instrument underlying the respective futures contract.

Reference asset: the asset underlying the futures contract

Against this background, the risk factors relating to futures linked to an index described in section III.2.2.2 on page 48 of the Base Prospectus should also be taken into account accordingly before an investor makes an investment in Securities linked to a Factor Index which is in turn linked to such futures. The same applies to futures on shares, ADRs/GDRs and other dividend-bearing securities (see section III.2.2.1 on page 46 of the Base Prospectus) and to futures linked to precious metals or commodities (see section III.2.2.5 on page 51 of the Base Prospectus).

In the case of Factor Indices with **interest rate futures** (i.e. financial futures with bonds or interest rates as the reference item) **as the Reference Instrument**, investors in Securities with a corresponding Underlying should note that interest rates depend on supply and demand on the international money and capital markets, which are influenced, among other things, by speculative activity, general economic factors, interventions by central banks and government agencies or other political factors. The market level of interest rates on the money and capital markets, moreover, is frequently subject to significant fluctuations, as a result of which the holder of Securities with Factor Indices on interest rate futures as the Underlying is exposed to this risk of changes in interest rates.

Futures contract with the next expiry date and Rollover

Since futures and interest rate futures contracts each have a specific expiry date, the Index Calculation Agent will replace the Reference Instrument in each case, at a time specified in the index description, with a futures or interest rate futures contract respectively that, apart from having an expiry date further in the future, has the same contract specifications as the futures or interest rate futures contract initially serving as the underlying asset (known as '**Rollover**'). If no futures or interest rate futures contract exists at that point in time with underlying terms and conditions or principal contract features that match those of the Reference Instrument which it is intended to replace, the Index Calculation Agent will cease to calculate the Factor Index. In this event, the Issuer has the right in accordance with the Terms and Conditions to replace the Factor Index serving as the Underlying with an index with a similar index concept or to terminate the Securities.

The Rollover will be carried out in accordance with the index description on a day, which may be specified by the Index Calculation Agent, shortly before the current futures contract expires. Until the next Rollover, the price of this new Reference Instrument is relevant for all purposes specified in

the index description, i.e. especially for assessing whether the price of the Reference Instrument has reached the respective barrier (for an intraday adjustment) and for the determination of the daily closing price of the Factor Index.

It should be noted that it is not possible to quote ongoing buying and selling prices for the Securities in the secondary market while a Rollover is being carried out.

2.2.5. Risks in the case of precious metals and commodities as the Reference Instrument

Precious metals and commodities may also serve as the Reference Instrument for Factor Indices (and corresponding Securities under the Base Prospectus which are linked to those indices). Commodities are mineral commodities (such as oil and gas), agricultural produce (such as coffee, wheat and corn) and non-ferrous metals (such as nickel, zinc and tin). Gold, silver and platinum are described as precious metals.

Most precious metals and commodities are traded on specialised exchanges or off-exchange directly between market participants on a global basis (for example in interbank trading), generally in the form of OTC transactions.

Precious metals and commodities are often exposed to complex price risks. Their prices are subject to greater fluctuation than in the case of other asset classes (high volatility). In particular, commodities markets are generally less liquid than bond, foreign exchange and equity markets. As a result, changes in supply and demand have a more pronounced effect on prices and volatility, making investments in commodities riskier and more complex. Examples of some of the typical factors affecting the prices of precious metals and commodities are given in the following:

The planning and management of commodity supplies takes up a lot of time. For this reason, the supply of precious metals and commodities has limited flexibility, and it is not always possible to adapt production quickly to meet changes in demand. Demand may also vary from region to region. In addition, the transport costs for precious metals and commodities in regions where they are required have an impact on prices. The cyclical behaviour of some commodities produced during certain times of year, such as agricultural produce, may entail major price fluctuations.

Direct investments in precious metals and commodities attract costs for storage, insurance and taxes. Moreover, no interest or dividends are paid on precious metals or commodities. These factors have an impact on the overall return on precious metals and commodities.

Not all commodities markets are liquid and able to react quickly and to the extent required in response to changes in supply and demand. Since only a few market participants are active on the commodities markets, high levels of speculation may have negative consequences for investors and distort prices.

Unfavourable weather conditions can affect the supply of certain commodities for a whole year. A supply crisis triggered in this way may give rise to sharp and unpredictable price fluctuations. The spread of disease and outbreaks of epidemics may also influence the price of agricultural produce.

Precious metals and commodities are often produced in emerging countries and demanded by industrialised countries. However, the political and economic situation in emerging countries is usually considerably less stable than in the industrialised countries. They are much more exposed to the risks of rapid political change and economic setbacks. Political crises may shake investor confidence, and this may in turn influence the prices of precious metals and commodities. War or armed conflict may change the supply of and demand for certain precious metals and commodities. In addition, it is possible that industrialised countries may impose an embargo on the export and import of goods and services. This could have a direct or indirect impact on the price of

commodities. Moreover, a number of commodity producers have formed organisations or cartels to regulate supply and thus influence prices.

Changes in tax rates and customs duties may have the effect of reducing or increasing the profitability of producers of precious metals and commodities. If these costs are passed on to customers, such changes will have an effect on the prices of the precious metals and commodities affected.

The factors and circumstances described in this section that have or could have a direct or indirect effect on the value of precious metals and commodities may also have a negative impact on the level of the Factor Indices and therefore indirectly on the value of the Securities. For example, a reduction in availability is generally reflected in a rise in the price of the precious metal or commodity, which represents a risk for investors in Securities with short Factor Indices linked to that precious metal or commodity as the Underlying.

3. Risks relating to the Issuer

3.1 Risks in connection with business activities

The Company is an issuance company whose main purpose is to issue securities.

There is a general risk that the Issuer will be unable to fulfil all or some of its obligations arising from the Securities. For this reason, investors should take into consideration the creditworthiness of the Issuer when making their investment decisions. Credit risk is the risk of the Issuer becoming insolvent or illiquid, i.e., experiencing a potential, temporary or permanent inability to satisfy its obligations to make interest payments or principal repayments on time. Issuers with poor creditworthiness typically have a higher insolvency risk. Currently, the Issuer does not have a rating. Therefore, it is not possible for investors to compare the solvency of the Issuer with that of companies which have a rating. The Issuer's liable share capital amounts to EUR 50,000. **A purchase of the Securities therefore exposes the investor to a significantly greater credit risk than in the case of an issuer with a higher level of capital resources.**

The Securities constitute direct and unsecured obligations of the Issuer that rank *pari passu* in relation to one another and in relation to all other unsecured and unsubordinated obligations of the Issuer, with the exception of obligations that have priority due to mandatory statutory requirements. **In the event of an insolvency of the Issuer, an investment in the Securities may result in a total loss of the investment amount.**

The Issuer is not a member of a deposit protection fund or similar protection system which would reimburse claims of the holders of the Issuer's securities (the "**Security Holders**") in full or in part if the Issuer became insolvent. Furthermore, neither the German Deposit Guarantee and Investor Compensation Act (*Einlagensicherungs- und Anlegerentschädigungsgesetz*) nor the Deposit Insurance Fund of the Association of German Banks (*Einlagensicherungsfonds des Bundesverband deutscher Banken*) is applicable to bearer bonds (*Inhaberschuldverschreibungen*). **In the event of an insolvency of the Issuer, investors will have no protection from the aforementioned security institutions which would reimburse the Security Holders' claims in full or in part.**

Any of the above mentioned risk factors may adversely affect the Issuer's business, net assets, financial condition, cash flow and results of operations.

3.2 Risks in connection with the developments in the markets

The Issuer's activities and its annual issuance volume are influenced by the developments in the markets where it conducts its business. These developments may be affected by economic and/or Company specific developments during the term of the Securities, in particular in Germany and

Europe, as well as due to altered conditions on the financial markets. These developments may be caused, among other things, by cyclical, regulatory, or tax changes which may sustainably affect the Issuer's profitability and solvency.

In this context, the market performance of Securities depends in particular on the performance of the capital markets, which are in turn influenced by the general situation of the global economy and the economic and political environment in the particular countries (so called market risk).

A difficult macroeconomic situation may, inter alia, lead to a lower issuance volume and could have material adverse effects on the Issuer's business, net assets, financial condition, cash flow and results of operations.

3.3 Risks in connection with hedging transactions

All shares of the Issuer are held by Vontobel Holding AG, Zurich, which is the parent company of the Vontobel Group (the "**Vontobel Group**"). The Issuer enters into OTC hedging transactions, i.e. hedging transactions negotiated individually between two parties, with other companies of the Vontobel Group (in particular Bank Vontobel AG, Zurich, Switzerland, and Vontobel Financial Products Ltd., Dubai, United Arab Emirates).

In this context, the principal risk is the risk of the illiquidity of the parties with which the Issuer enters into derivatives transactions in order to hedge its obligations arising from the issue of the Securities. Since the Issuer only enters into such hedging transactions with other companies of the Vontobel Group (which includes all the consolidated subsidiaries of Vontobel Holding AG), the Issuer is exposed to cluster risk arising from the narrow range of counterparties in comparison with a widely diversified selection of contractual partners. Illiquidity or insolvency on the part of companies affiliated to the Issuer could therefore result directly in the illiquidity of the Issuer. The Security Holders are not entitled to any claims with respect to hedging transactions of this nature entered into.

3.4 Risks in connection with the guarantee

The due payment by the Issuer of all amounts payable in accordance with the Terms and Conditions of the Securities issued under the respective Base Prospectus is guaranteed by Bank Vontobel Europe AG (the "**Guarantor**").

The obligations arising from the Securities constitute direct and unsecured obligations of the Issuer that rank *pari passu* in relation to one another. Upon discharge of any obligations of the Issuer or the Guarantor subsisting under the Securities or under the guarantee in favour of a Security Holder, the relevant guaranteed right of such holder under the Securities or the guarantee, respectively, shall cease to exist. There is a general risk that the Guarantor will be unable to fulfil all or some of the obligations arising under the guarantee undertaking. For this reason, investors should take into consideration not only the creditworthiness of the Issuer, but also the creditworthiness of the Guarantor when making their investment decisions. **In the event of an insolvency of the Issuer and the Guarantor, an investment in the Securities may result in a total loss of the investment amount.**

4. Risks relating to the Guarantor

4.1 Risks in connection with business activities

Bank Vontobel Europe AG is a subsidiary of Vontobel Holding AG, the parent company of the Vontobel Group. The Company competes with private and major banks from Germany and abroad. Its business is in particular influenced by the prevailing market conditions.

There is a general risk that the Guarantor will be unable to fulfil all or some of its obligations arising from the guarantee. For this reason, investors should take into consideration the creditworthiness of the Guarantor when making their investment decisions. Credit risk is the risk of the Guarantor becoming insolvent or illiquid, i.e., experiencing a potential, temporary or permanent inability to satisfy its obligations under the guarantee. Guarantors with poor creditworthiness typically have a higher insolvency risk. Currently, the Guarantor does not have a rating. Therefore, it is not possible for investors to compare the solvency of the Guarantor with that of companies which have a rating.

Investors should note that the creditworthiness of the Guarantor may be affected by economic and/or Company specific developments during the term of the Securities, in particular in Germany and the rest of Europe, as well as due to altered conditions on the financial markets. These developments may be caused, among other things, by cyclical changes which may sustainably affect the Guarantor's profitability and solvency. The activities of the Guarantor are also affected by the developments in the markets in which the Guarantor operates. A difficult macroeconomic situation may adversely affect the Guarantor's results of operations. Risks to Bank Vontobel Europe AG's business may be posed by general market risks, which may arise as a result of declining market prices, such as interest rates, exchange rates, share prices, commodity prices and the associated volatilities, and have a negative impact on the valuation of the underlyings and/or derivative financial products. Also, operational risks may arise as part of the Vontobel Group's operating activities and lead to losses due to inadequate or non-existent processes or systems, employee misconduct, or external events. Furthermore, a difficult overall market situation may have negative effects on the business of the Guarantor as well as its net assets, financial position and results of operations of the Company. **In the event of an insolvency of the Guarantor, an investment in the Securities may result in a total loss of the investment amount.**

4.2 Risks in connection with compliance, legal, regulatory, and reputational implications

The Company operates in an industry that is highly regulated and may be adversely affected by compliance, legal or regulatory risks and reputational implications from the legal and regulatory environment. Compliance risk and legal risk are the risks arising from violations of, or non-conformance with, laws, rules, regulations, prescribed practices or internal policies and procedures. Legislation and rules adopted around the world have imposed substantial new or more stringent regulations, internal practices, capital requirements, procedures and controls and disclosure requirements in different areas.

The trend and scope of increased compliance requirements may require the Company to invest in additional resources to ensure compliance. The Company is exposed to the risk of fines, civil financial penalties, payment of damages and the voiding of contracts. Compliance risk can lead to diminished reputation, limited business opportunities, reduced expansion potential and an inability to enforce contracts.

Furthermore, the Company is exposed to the risk that changes in law or interpretations thereof, including regulatory and tax laws, may have a material negative impact on its results. Regulatory or similar changes in any jurisdiction in which the Company operates may adversely affect its business, results of operations and financial condition.

Reputational risk is the potential loss in reputation due to a financial loss or due to any other real or perceived event with a negative impact on reputation. This includes, in particular, the risk arising from deviations from good ethical behaviour. The Company's reputation is highly important regarding the relationship with clients, investors, regulators and the general public, and is a main point with regard to their risk management efforts.

Any of the risks described above could have a material adverse effect on the Company's business, net assets, financial condition, cash flow and results of operations.

4.3 Risks in connection with exposure to significant and increasing competition

All aspects of the Company's business are highly competitive and the competitive conditions are expected to continue to intensify. The Company's ability to compete depends on many factors, including its reputation, the quality of its services and advice, intellectual capital, product innovation, execution ability, pricing, sales efforts, and the talent of its employees. The significant and increasing competition may adversely affect the Company's future results of operations.

4.4 Risks in connection with the guarantee

The due payment by the Issuer of all amounts payable in accordance with the Terms and Conditions of the Securities issued under the Base Prospectus is guaranteed by Bank Vontobel Europe AG. The obligations arising from the guarantee constitute direct and unsecured obligations of the Guarantor that rank *pari passu* in relation to one another. Upon discharge of any obligations of the Issuer or the Guarantor subsisting under the Securities or under the guarantee in favour of a Security Holder, the relevant guaranteed right of such holder under the Securities or the guarantee, respectively, shall cease to exist.

There is a general risk that the Guarantor will be unable to fulfil all or some of the obligations arising under the guarantee undertaking. For this reason, investors should take into consideration not only the creditworthiness of the Issuer, but also the creditworthiness of the Guarantor when making their investment decisions. **In the event of an insolvency of the Issuer and the Guarantor, an investment in the Securities may result in a total loss of the investment amount.**

5. Risks in connection with potential conflicts of interest

Conflicts of interest may exist for companies of the Vontobel Group (which includes all consolidated subsidiaries of Vontobel Holding AG).

Trading transactions relating to the Reference Instruments

During the term of the Securities, the companies of the Vontobel Group may be involved in trading transactions, for their own account or for a customer's account, that relate directly or indirectly to the respective Reference Instruments. The companies of the Vontobel Group may also become counterparties in hedging transactions relating to the Issuer's obligations arising from the Securities. Such trading or hedging transactions may affect the value of the respective Reference Instrument and thus have a negative impact on the Underlying and the value of the Securities.

Exercise of other functions by companies of the Vontobel Group

The Underlying of the Securities are proprietary indices composed and calculated by Bank Vontobel AG, Zurich, a company affiliated to the Issuer and the Guarantor as Index Calculation Agent. The index calculation agent consequently has a direct influence on the Underlying and therefore – due to the dependence of the Securities on the performance of the Underlying – also on the value of the Securities.

The Issuer, the Guarantor and other companies of the Vontobel Group may also exercise other functions in relation to the Securities, e.g. that of calculation agent and/or Market Maker. These functions may lead to conflicts of interest both among the respective companies of the Vontobel Group and between these companies and the investors in determining the prices of the Securities and in making other associated determinations.

Issue of additional derivative instruments on an Underlying

The Issuer and/or other companies of the Vontobel Group may in addition issue additional derivative instruments in connection with the respective Underlying; the introduction of such products may impact on the value of the Securities.

Receipt of non-public information

The Issuer, the Guarantor and/or other companies of the Vontobel Group may obtain non-public information relating to the Underlying and, unless § 16 WpPG applies (obligation to update the Base Prospectus), are not obliged to pass such information on to the Security Holders.

Publication of research reports relating to an Underlying

In addition, companies of the Vontobel Group may publish research reports in relation to the respective Underlying. Such activities may lead to conflicts of interest both among the respective companies of the Vontobel Group and between these companies and the investors and have a negative impact on the value of the Securities.

Payment of commissions, own interests of sales partners and investment advisers

It should also be noted that the payment of commissions to sales partners may generate conflicts of interest to the disadvantage of the investor, because this could create an incentive for the sales partner to sell products with a higher commission to its customers in preference to other products. Such commissions are included in the price of the Security. Placement commissions are paid from the sales proceeds as one-time or recurring payments; alternatively the respective distributor is granted a corresponding discount on the selling price. If a company of the Vontobel Group is involved in the distribution, the relevant amounts are credited to the distributor in a bank-internal transaction.

The sales partners and investment advisers may be pursuing their own interests with respect to the sale of the Securities and their associated advisory activities. The consequence of a conflict of interest on the part of the advisers may be that the advisers make an investment decision or issue a recommendation in their own interests and not in the interests of the investors.

Activity as Market Maker for the Securities

Bank Vontobel Europe AG will act as Market Maker for the Securities. Through such liquidity providing activities, the Market Maker – supported by other companies of the Vontobel Group – will determine the price of the Securities on its own to a large extent.

The Market Maker determines the spreads between the buying and selling prices (also referred to as bid and offer prices) on the basis of various factors and taking into account income considerations. The principal factors include the pricing model used by the Market Maker in the particular case, the value of the Underlyings, the volatility of the Underlyings, the remaining term of the Securities and the supply and demand for hedging instruments. In the case of abnormal market situations, where hedging transactions are not possible at all or only under more onerous conditions, the spreads between bid and offer prices may widen.

As a result, the prices set by the Market Maker may differ significantly from the fair value of the Securities or the value they would be expected to have in economic terms on the basis of the factors above at the particular point in time. In addition, the Market Maker may at any time revise the method it uses to determine the prices quoted, e.g. by widening or narrowing the spreads between bid and offer prices.

IV. INFORMATION ABOUT THE ISSUER

The description of the Issuer, Vontobel Financial Products GmbH, for the purpose of the Base Prospectus is set out in the registration document dated 4 April 2016 of Vontobel Financial Products GmbH, which, together with the financial information, which are incorporated by reference pursuant to § 11 WpPG in, and form a part, of the Base Prospectus (see chapter XIII. on page 187 of the Base Prospectus).

V. INFORMATION ABOUT THE GUARANTOR

The description of the Guarantor, Bank Vontobel Europe AG, for the purpose of the Base Prospectus is set out in the registration document dated 29 April 2016 of Bank Vontobel Europe AG, which, together with the financial information, which are incorporated by reference pursuant to Section 11 WpPG in, and form a part, of the Base Prospectus (see chapter XIII. on page 187 of the Base Prospectus).

VI. IMPORTANT INFORMATION

1. Persons responsible

Vontobel Financial Products GmbH, Bockenheimer Landstraße 24, 60323 Frankfurt am Main as Issuer and Bank Vontobel Europe AG, Alter Hof 5, 80331 Munich as Offeror and Guarantor accept responsibility for the contents of the Base Prospectus in accordance with § 5 (4) WpPG and hereby declare that to the best of their knowledge the information in the Base Prospectus is correct and no material circumstances have been omitted.

In connection with the issue, sale and offer of the Securities issued under the Base Prospectus, no person is authorised to circulate any information or make any declarations that are not contained in the Base Prospectus. The Issuer, the Offeror and the Guarantor accept no responsibility of any kind for information from third parties that is not included in the Base Prospectus. The information contained in the Base Prospectus relates to the date of the Base Prospectus and may now be incorrect and/or incomplete as a result of changes that have occurred subsequently. The Issuer will publish important new circumstances or material inaccuracies relating to the information contained in the Base Prospectus in a supplement to the Base Prospectus in accordance with § 16 WpPG.

2. Interests of other persons involved in the issue and conflicts of interest

The interests and conflicts of interest existing within the Vontobel Group have already been described in chapter **Fehler! Verweisquelle konnte nicht gefunden werden.** on page **Fehler! Textmarke nicht definiert.** et seq. of the Base Prospectus.

Third parties may also have an interest in commissions or other commercial interest in the issues to be launched under the Base Prospectus.

It should also be noted that the payment of commissions and incentives to sales partners may generate conflicts of interest to the disadvantage of the investor, because this could create an incentive for the sales partner to sell Securities with a higher commission to its customers in preference to other products. Such commissions are included in the price of the Security. The sales partners and investment advisers may be pursuing their own interests with respect to the sale of the Securities and their associated advisory activities. A conflict of interest on the part of the advisers may result in the advisers making an investment decision or issuing a recommendation in their own interests and not in the interests of the investors.

Bank Vontobel Europe AG will act as Market Maker for the Securities. Through such market making, Bank Vontobel Europe AG will – supported by other companies of the Vontobel Group – as a principle determine the price of the Securities on its own. As a result, the prices quoted by the Market Maker will not normally correspond to the prices that would have been established without such market making and in a liquid market.

3. Reasons for the offer and intention to generate profit

The Issuer's objective is to generate profit through the issue and/or increase of Securities and it will use the issue proceeds to hedge against risks arising from the respective issues. The proceeds from the Securities issued under the Base Prospectus will be used to finance the Issuer's general business activities.

For the sake of clarity: Although the Cash Amounts and/or the performance of the Securities are calculated with reference to a rate, level or price of an Underlying defined in the Terms and Conditions, the Issuer is not obliged at any time to invest the proceeds from the issue of the Securities in the Underlying or constituents of the Underlying. The Security Holders have no

ownership rights or interests in the Underlyings or any of their constituents. The Issuer may freely dispose of the issue proceeds.

4. Consent to the use of the Base Prospectus

With reference to article 3 (2) of Directive 2003/71/EC (as amended, the "**Prospectus Directive**"), the Issuer and the Offeror consent to the use of the Base Prospectus for Public Offers in Italy for the duration of its validity and accept responsibility for the contents of the Base Prospectus also with respect to any subsequent resale or final placing of Securities by financial intermediaries.

This consent by the Issuer and the Offeror is subject to the conditions (i) that the Base Prospectus and the Final Terms are provided to potential investors only together with all supplements published up to the time of such provision and (ii) that, in making use of the Base Prospectus and the Final Terms, each financial intermediary ensures that it complies with all applicable laws and legal requirements in force in the respective jurisdictions.

The Issuer reserves the right to withdraw its consent to the use of the Base Prospectus with respect to certain distributors and/or all financial intermediaries. The subsequent resale and final placing of the Securities by financial intermediaries may take place during the period of validity of the Base Prospectus in accordance with § 9 WpPG or – in case (i) a base prospectus which follows the Base Prospectus has been published on the website <https://zertifikate.vontobel.com> under the heading <<Legal Documents>> on the last day of validity of the Base Prospectus at the latest and (ii) the Securities are identified in the subsequent base prospectus – during the period of validity of such subsequent base prospectus according to § 9 section 1 WpPG.

If a placement is planned by door-to-door selling in Italy as indicated in the respective Final Terms, a lead manager (the "Lead Manager") will act as "*Responsabile del Collocamento*" pursuant to article 93 - bis of the Italian Legislative Decree n. 58 dated 14 February 1998, as amended, in connection with the Offer. The Offer Period for the Securities placed through "door-to-door selling" (pursuant to Article 30 of the Italian Legislative Decree n. 58 dated 24 February 1998, as amended, the "Italian Financial Service Act") will be defined in the Final Terms, save in case of early termination or extension as agreed between the Issuer and the Lead Manager.

In the event that a financial intermediary makes an offer, that financial intermediary shall inform the investor about the conditions of the offer as specified in the Base Prospectus at the time the offer is made.

Each financial intermediary using the Base Prospectus shall state on its website that it is using the Base Prospectus with consent and in accordance with the conditions to which the consent is subject.

5. Conditions of the offer

Under the Base Prospectus Securities are issued by way of a new issue or an increase. Such Securities either will be publicly offered ("**Public Offer**") or will be placed in application of an exceptional case pursuant to § 3 paragraph 2 WpPG and at the same time admitted to trading on a regulated market (so-called "**Private Placement**"). Further information concerning the increase of Securities can be found in section VI.10 on page 68 et seq. of the Base Prospectus.

The Securities are issued by Vontobel Financial Products GmbH, Frankfurt am Main, Germany in the context of the Base Prospectus, underwritten in each case (on the basis of a framework agreement between the Issuer, Bank Vontobel AG and Vontobel Financial Products Ltd., Dubai International Financial Centre, United Arab Emirates, dated 7 April 2010) by Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland (tap issue) and offered by Bank Vontobel Europe AG, Munich, Germany.

Bank Vontobel AG is a wholly owned subsidiary of Vontobel Holding AG and is currently the most important fully consolidated group company in the Vontobel Group. Bank Vontobel Europe AG and Vontobel Financial Products Ltd. are also wholly owned and fully consolidated subsidiaries of Vontobel Holding AG. The respective issues of the Securities are made under a Guarantee given by Bank Vontobel Europe AG (see chapter XI. on page 179 of the Base Prospectus).

The Issuer is engaged in the issue of securities, including for example the Securities issued under the Base Prospectus, as an ongoing business and the new issue and/or increase of securities therefore does not require any special basis documented in accordance with corporate law.

The details of the offer and of the sale of the Securities, in particular the issue date, the issue volume offered and the issue price of the Securities to be issued under the Base Prospectus and the offer type (Public Offer or Private Placement) will be specified in the relevant Final Terms. The issue price of the Securities will be set by Bank Vontobel Europe AG – supported by other companies of the Vontobel Group.

From the start of off-market trading or from the date of stock exchange listing – if provided for in the Final Terms – the price of the Securities will be determined by the Market Maker on a continuous basis.

Delivery of the Securities sold will be made by the relevant paying agent via the relevant central securities depository after the issue date on the value date, all as specified in the relevant Final Terms. In the case of a sale of the Securities after the value date, delivery will be made via the central securities depository set out in the Terms and Conditions in accordance with the applicable local market practices.

Interested investors may purchase the Securities in the context of the Public Offer in Italy – as provided for in the Final Terms – at the issue price or at the selling prices quoted by the Market Maker during the term of the Securities via brokers, banks or savings banks from the date on which the Public Offer commences all as specified in the respective Final Terms. The minimum trading volume is one Security in each case (unless specified otherwise in the respective Final Terms). Details of any transaction costs should be requested from the relevant sales partner or from the investor's house bank or broker. No further amounts will be charged to the investor by the Issuer or Offeror over and above the issue price or the selling price.

6. Stock exchange listing, trading in the Securities, pricing

The Securities offered may be bought and sold during the term via brokers, banks and savings banks in principle in off-market transactions and – if so provided in the Final Terms – in stock exchange transactions. The respective Final Terms will contain details on whether application will be made for the Securities to be admitted to trading on the regulated market Mercato Telematico of securitised derivatives ("**SeDeX**") of Borsa Italiana S.p.A. ("**Borsa**") or another stock exchange and/or to be included in the regulated unofficial market of an exchange.

Investors should familiarise themselves with the rules and regulations applicable on the relevant stock exchanges or off-market trading systems (such as the *mistrade* rules) before purchasing the Securities.

Listing

Where a stock exchange listing is provided for, the Final Terms will contain details of the relevant exchanges and market segments to which the Securities are expected to be admitted and/or included, together with date of the planned admission to listing and/or inclusion and details of the expected last exchange trading day. In this event, the Securities will also be tradable in principle in off-market transactions (as described below).

As the case may be, Bank Vontobel Europe AG, Frankfurt branch, acting as Market Maker for the Securities (the "**Market Maker**"), will assume an obligation vis-à-vis particular stock exchanges in

compliance with the locally applicable rules to provide bid and offer prices for certain order or Securities volumes (whereas such obligation will not apply in exceptional cases such as technical service interruptions, special market situations or a temporary sell-out of the issue). Such an obligation will, however, apply only vis-à-vis the respective stock exchange involved. Third parties, such as Security Holders, cannot derive any obligation of the Market Maker from the above. The purchasers of the Securities can therefore not assume that they will be able to sell the Securities at a particular time or at a particular price. In particular, the Market Maker is not obliged to repurchase the Securities.

The exceptions to a binding commitment, if any, of the Market Maker to set prices apply in accordance with the relevant rules and regulations, in particular in the case of:

- abnormal circumstances affecting the Market Maker's operations (e.g. telephone problems, technical faults or power failures);
- unusual market situations (e.g. exceptional market movement of the Underlying due to particular circumstances in the home market or unusual events affecting the security used as the Underlying during pricing) or unusual market conditions due to serious disruptions of the economic and political situation (e.g. terrorist attacks or market crashes);
- (temporary) sell-out of the issue. In these circumstances, only a bid price must be provided and an offer price may not be provided.

Off-market trading

If only off-market trading in the Securities is provided for in the Final Terms, the Securities will not be included in trading on a stock exchange. It will then be possible in principle, however, to buy or sell the Securities offered during their term in off-market transactions.

No secondary market

The Final Terms may also specify that no market making will be provided by Bank Vontobel Europe AG for the Securities to be issued. In this event, investors should not assume that it will be possible to sell the relevant Securities during their term.

Pricing

The Market Maker undertakes to provide bid and offer prices for the Securities pertaining to the Securities of an issue subject to regular market conditions. However, Bank Vontobel Europe AG is vis-à-vis the Security Holders neither obliged to take over the function as market maker nor to maintain the function of market maker once assumed.

In the event of extraordinary market conditions or extremely volatile markets, the Market Maker will not provide any bid and offer prices. The Market Maker will provide bid and offer prices for the Securities only under regular market conditions. However, even in the case of regular market conditions, the Market Maker does not assume any legal responsibility towards the Security Holders to provide such prices and/or that such prices provided by the market maker are reasonable.

The issue price and the prices of the Securities set by the Market Maker in the secondary market on an ongoing basis are made up of different components. Those components are: the mathematical value of the Securities, the margin and any other charges.

The mathematical value of a Security is calculated on the basis of the pricing model used in each case by the Issuer, the Market Maker and/or affiliated companies and, in addition to the value of the Underlyings, also depends on other variable factors. The other factors can include derivative components, expected income from the Underlyings, the volatility of the Underlyings, the remaining term of the Securities and the supply and demand for hedging instruments. The pricing models are established by the Issuer and/or Market Maker at its own discretion and may differ from the pricing models that other issuers or market makers use to calculate comparable securities.

The margin is also set by the Issuer and/or Market Maker at its own discretion and may differ from the margins that other issuers or market makers charge for comparable securities. The calculation of the margin takes into account the price and volatility of the Underlying, the bargain and demand for securities, costs for accepting and hedging risk, structuring and selling the Securities and, if applicable, licence and management fees, in addition to income considerations. The margin may also include costs and commissions paid to third parties in connection with services for placing the Securities.

The price quoted by the Market Maker is the monetary price per Security.

7. Note on currency references

References to "**Euro**" or "**EUR**" in the Base Prospectus and in the Final Terms are references to the currency introduced at the beginning of the third phase of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended. All references to "**US dollars**" or "**USD**" refer to dollars of the United States of America, all references to "**CHF**" refer to francs of the Swiss Federation, all references to "**JPY**" refer to yen of Japan, all references to "**HKD**" refer to dollars of the Chinese special administrative region of Hong Kong, all references to "**SGD**" refer to dollars of the Republic of Singapore, all references to "**GBP**" refer to pounds of the United Kingdom of Great Britain and Northern Ireland, all references to "**NOK**" refer to kroner of the Kingdom of Norway, all references to "**SEK**" refer to Kronor of the Kingdom of Sweden, all references to "**DKK**" refer to Kroner of the Kingdom of Denmark and all references to "**AUD**" refer to dollars of the Commonwealth of Australia.

Where figures are quoted in the Final Terms in another currency, this is expressly noted with respect to the figures in question by the identification of the relevant currency or the respective currency symbol in accordance with the ISO currency codes (ISO 4217).

8. Selling restrictions

8.1 General principles

The delivery, dissemination and/or distribution of the Base Prospectus and of the respective Final Terms – in whole or in parts - and the offer of the Securities being issued hereunder may be subject to legal restrictions in certain jurisdictions. The Securities may therefore not be offered or sold directly or indirectly in any country, and the Base Prospectus, advertising of any kind or other marketing documentation may not be delivered, distributed and/or published, except in compliance with the legal requirements applicable in each case. The Issuer does not provide any assurance that the distribution of the Base Prospectus or of a Public Offer of the Securities is lawful outside Italy – as applicable –, and does not accept any responsibility that the distribution of the Base Prospectus or of a Public Offer is permitted there in each case. Restrictions relating to the distribution of the Base Prospectus and the offer of the Securities issued under it apply in particular within the European Economic Area, Switzerland, Australia, Singapore, Hong Kong and the USA.

The Securities may only be offered or sold in compliance with any applicable security law and/or any further applicable rules and regulations in the respective legal system, in which a purchase, offer, sale or delivery of securities is intended or in which the Base Prospectus is disseminated or kept, and only if any necessary approval and authorization which is required for the purchase, supply, sale or delivery of securities in such jurisdiction has been obtained. The Issuer hereby requests any person who comes into possession of the Base Prospectus and the respective Final Terms must review and comply with any applicable restriction.

Additional restrictions may be set out in the relevant Final Terms in relation with each issuance of Securities.

8.2 Restrictions within the 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**"), any person offering the Securities has represented and agreed, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), it has not made and will not make an offer of Securities which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto 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 Securities to the public in that Relevant Member State:

- (a) if the Final Terms relating to the Securities specify that an offer of those Securities may be made otherwise 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 the Base Prospectus in relation to such Securities which has been approved by the competent authority of that Relevant Member State or, where applicable, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that the Base 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 the Base Prospectus and Final Terms, as applicable and the Issuer has consented in writing to its use for the purposes of that Non-Exempt Offer;
- (b) at any time to persons who are qualified investors as defined in the Prospectus Directive;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the respective dealer or dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3 (2) of the Prospectus Directive,

provided that no such offer referred to in (b) to (d) above shall require the Issuer or any person offering the Securities under an obligation to publish a prospectus pursuant to Article 3 of the Prospectus Directive or a supplement to a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the term "**offer of the Securities to the public**", in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information about the conditions of the offer and the Securities to be offered to enable an investor to decide whether to purchase or subscribe the Securities, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the Directive 2010/73/EU) and includes any relevant implementing measure in the Relevant Member State.

8.3 Restrictions within Italy

The offering of the Securities has not been registered and will not be registered with the Italian Financial Regulator (*Commissione Nazionale per le Società e la Borsa* or "**CONSOB**") pursuant to Italian securities legislation and, accordingly, the financial intermediary in charge of the offering, if any, has represented and agreed, and each further financial intermediary appointed under the Base Prospectus and each other dealer will be required to represent and agree, that no Securities may be offered, sold, promoted, advertised or delivered, directly or indirectly, in the Republic of Italy, nor

may copies of the Base Prospectus, any Final Terms or any other document relating to the Securities be distributed, made available or advertised in the Republic of Italy, except:

- (1) if it is specified that an offer (that does not fall under an exemption pursuant to the Prospectus Directive) may be made to the public in the Republic of Italy, that it may offer, sell or deliver Securities or distribute copies of any prospectus relating to the Securities, provided that such prospectus has been (i) approved in another Relevant Member State and notified to CONSOB, and (ii) completed by final terms (if applicable) expressly contemplating such offer, in the twelve months period of validity of the Base Prospectus commencing on the date of its approval, in accordance with the Prospectus Directive, as implemented in the Republic of Italy under the Italian Legislative Decree No. 58 of 24 February 1998 as amended from time to time ("**Italian Financial Services Act**") and CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time ("**CONSOB Regulation No. 11971**");
- (2) to "**Qualified Investors**" (*Investitori Qualificati*) as defined pursuant to article 100, paragraph 1(a) of Italian Financial Services Act, and in article 34-ter, paragraph 1(b) of CONSOB Regulation No. 11971; or
- (3) in any other circumstances where an express applicable exemption from compliance with the restrictions on the offer of financial products to the public applies, as provided under the Italian Financial Services Act and/or CONSOB Regulation No. 11971 and any other applicable laws and regulations.

Any such offer, sale or delivery of the Securities or distribution of copies of the Base Prospectus, any Final Terms or any other document relating to the Securities in the Republic of Italy under (1), (2) or (3) above must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Italian Financial Services Act, the Italian legislative decree No. 385 of 1 September 1993, as amended from time to time and CONSOB Regulation No. 16190 of 29 October 2007 (each as amended from time to time); and
- (b) in compliance with any other applicable laws and regulations or requirement or limitation which may be imposed from time to time by CONSOB or the Bank of Italy or any other Italian competent authority.

Provisions relating to the secondary market in Republic of Italy

Investors should also note that, in accordance with article 100-bis of the Italian Financial Services Act:

- (x) if any of the Securities have been initially placed pursuant to an exemption to publish a prospectus, the subsequent distribution of such Securities on the secondary market in Italy which is not carried out under an exemption pursuant to (2) or (3) above must be made in compliance with the rules on offer of securities to the public provided under the Italian Financial Services Act and CONSOB Regulation No. 11971;
- (y) if any of the Securities which have been initially placed with Qualified Investors in Italy or abroad are then systematically resold to non-Qualified Investors at any time in the 12 months following such placing, such resale would qualify as an offer of securities to the public if no exemption under (3) above applies. Where this occurs, if a prospectus compliant with the Prospectus Directive has not been published, purchasers of such Securities (who are acting outside of the course of their business or profession) may be entitled to obtain that the resale is declared null and void and the authorised entities ("*soggetti abilitati*" as defined in the Italian Financial Services Act) transferring the Securities may be held liable for any damages suffered by the purchasers; and
- (z) any intermediary subsequently reselling the Securities is entitled to rely upon the prospectus published by the issuer or the person responsible for drawing up a prospectus as long as this is valid, duly supplemented in accordance with the Italian Financial Services Act and CONSOB

Regulation No. 11971 and provided that the issuer or the person responsible for drawing up a prospectus gives its written consent to its use.

8.4 Restrictions within the United Kingdom

In addition to the restrictions described in the selling restrictions for the European Economic Area, the following matters should be noted with respect to the United Kingdom:

- Any communication of invitations or inducements to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("**FSMA**")), or the initiation of any such communication, in connection with the issue or sale of securities is permitted only if Section 21 (1) of the FSMA does not apply to the issuer nor to the offeror, unless the latter are authorised persons.
- Compliance with all the applicable provisions of the FSMA is in principle required for actions relating to the Securities which are undertaken in or from the United Kingdom or in which that country is involved in some other way.

8.5 Restrictions within Sweden

Each person offering the Securities represents and agrees, that no Securities will be offered to the public in Sweden nor admitted to trading on a regulated market in Sweden unless and until (A) a prospectus in relation to those Securities has been approved by the competent authority in Sweden or, where appropriate, approved in another Relevant Member State and such competent authority has notified the competent authority in Sweden, all in accordance with the Prospectus Directive and the Swedish Financial Instruments Trading Act; or (B) an exemption from the requirement to prepare a prospectus is available under the Swedish Financial Instruments Trading Act.

8.6 Restrictions outside the EEA

In a jurisdiction outside the EEA, the Securities may be publicly offered only in compliance with the legal requirements in force there, to the extent that this takes place in accordance with the regulations applicable in each case and other relevant provisions and to the extent that neither the Issuer nor the Offeror enters into any obligations in this respect.

8.7 Restrictions within the USA

The Securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and trading in the Securities has not been approved by the United States Commodity Futures Trading Commission (the "**CFTC**") under the United States Commodity Exchange Act (the "**Commodity Exchange Act**"). Any offer or sale of the Securities must be made in a transaction exempt from the registration requirements of the Securities Act pursuant to Regulation S thereunder. No Securities, or interests therein, may at any time be offered, sold, resold, pledged, exercised, redeemed or delivered, directly or indirectly, in the United States or to, or for the account or benefit of (or on behalf of), any U.S. person or to others for offer, sale, resale, pledge, exercise, redemption or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person. No Securities may be exercised or redeemed by or on behalf of a U.S. person or a person within the United States. "**United States**" means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction, and "**U.S. person**" means (i) an individual who is a resident of the United States; (ii) a corporation, partnership or other entity organised in or under the laws of the United States or any political subdivision thereof or which has its principal place of business in the

United States; (iii) any estate or trust which is subject to United States federal income taxation regardless of the source of its income; (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and if one or more United States trustees have the authority to control all substantial decisions of the trust; (v) a pension plan for the employees, officers or principals of a corporation, partnership or other entity described in (ii) above; (vi) any entity organised principally for passive investment, 10 per cent. or more of the beneficial interests in which are held by persons described in (i) to (v) above if such entity was formed principally for the purpose of investment by such persons in a commodity pool the operator of which is exempt from certain requirements of Part 4 of the United States Commodity Futures Trading Commission's regulations by virtue of its participants being non-U.S. persons; or (vii) any other "U.S. person" as such term may be defined in Regulation S under the United States Securities Act of 1933, as amended, or a person who does not come within the definition of a non-United States person under Rule 4.7 of the United States Commodity Exchange Act, as amended.

Prior to the exercise of a Security, the holder thereof will be required to represent that, among other things, the Security is not being exercised, and the Exercise Notice or the Delivery Notice, as applicable, is not being delivered within the United States, the holder is not a U.S. person, the Security is not being exercised, or the Delivery Notice is not being delivered, on behalf of a U.S. person and no cash, no securities or other property have been or will be transferred in the United States or to, or the account of benefit of, a U.S. person in connection with any exercise or redemption thereof.

Any person purchasing the Securities, is deemed to agree with the Issuer and, if different, the seller of such Securities that (i) it will not at any time offer, sell, resell or deliver, directly or indirectly, any Securities so purchased in the United States or to, or for the account or benefit of, any U.S. person, (ii) it is not purchasing any Securities of such series for the account or benefit of any U.S. person and (iii) it will not offer, sell, re-sell, exercise, redeem or take deliveries of any such Security (otherwise acquired), directly or indirectly, in the United States or to, or for the account or benefit (or on behalf) of, any U.S. person.

9. Form of the Base Prospectus and publication

The Base Prospectus constitutes a base prospectus pursuant to Article 5, paragraph (4) of the Prospectus Directive and as implemented into German law by § 6 WpPG in connection with Regulation (EC) No. 809/2004 of 29 April 2004 as amended from time to time.

The Base Prospectus is published in accordance with § 6 WpPG in connection with § 14 WpPG and has been approved in this form by the BaFin. The BaFin decided to give its approval after the completion of a completeness check of the Base Prospectus, including a check of the coherence and comprehensibility of the information presented. The BaFin has not examined the Base Prospectus for factual accuracy.

The summary (see chapter II. on page 7 et seq. of the Base Prospectus) contains an introduction to the Base Prospectus. The Base Prospectus also contains the securities note with the information relating to the Securities to the extent known at the date of approval, and the required information concerning both the Issuer and the Guarantor which is incorporated by reference into the Base Prospectus from the respective registration document (see chapter XIII. on page 187 of the Base Prospectus).

For the purpose of a new issue or increase, final terms of the offer ("**Final Terms**") will in each case be prepared for the Securities containing the information that can only be determined at the date of the respective issue or increase of Securities in the context of the Base Prospectus.

The Final Terms of the Securities will only be determined shortly before the Public Offer and will be filed with the BaFin at the latest on the date of the Public Offer in accordance with the provisions of § 6 WpPG in connection with § 14 WpPG. The Final Terms will not be reviewed by the BaFin.

The Final Terms, as well as the Base Prospectus and any supplements thereto, will be published on the website of the Issuer (<https://certificates.vontobel.com>), whereby the Final Terms for an particular issue are accessible by entry of the respective ISIN on the page <https://certificates.vontobel.com> and the Base Prospectus and any supplements thereto are directly accessible on the page <https://certificates.vontobel.com> under the section <<Legal Documents>>. In addition, the Issuer will have copies of the Base Prospectus, any supplements thereto and the respective Final Terms available for free distribution.

10. Increase of issues

Under the Base Prospectus the issue size of Securities issued under the Base Prospectus (the "**Original Securities**") may be increased ("**Increase**"), whereby Securities may be increased several times. For this purpose Final Terms will be prepared for the respective Additional Securities (as defined hereinafter) in the form as provided for in chapter XII. on page 180 et seq. of the Base Prospectus.

The Additional Securities together with the Original Securities will form a single issue of Securities pursuant to Section 13 of the General Conditions (according to the increased issue size), i.e. they have identical security identification numbers and Product Features.

"**Additional Securities**" mean the Securities the issue size of which (as specified in the Product Conditions) increases the issue size of the Original Securities. The serial number of the Increase will be specified on the front page of the Final Terms.

11. Additional disclosures

To the extent that information from third parties has been included, that information has been reproduced correctly. As far as the Issuer is aware or can deduce from the information published by third parties, no facts have been omitted that would render the information reproduced incorrect or misleading. The source of the information is named directly after the disclosure of the information.

Unless specified otherwise in the Final Terms, the Issuer does not intend to publish post-issuance information, unless it is information that is required to be published in accordance with legal obligations or in accordance with the Terms and Conditions as a notice in a national official journal or on the Issuer's website at <https://certificates.vontobel.com> under the section <<Notices>>.

VII. INFORMATION ABOUT THE SECURITIES TO BE OFFERED

The Issuer from time to time issues Constant Leverage Certificates linked to the various Underlyings described below (Vontobel Leveraged Indices), also referred to in the following as "**Factor Indices**" (the "**Constant Leverage Certificates**", the "**Securities**" or also "**Security Types**"). The Securities are underwritten by Bank Vontobel AG, Zurich, and offered by Bank Vontobel Europe AG, in each case. The issues of the Securities are made under the Guarantee given by Bank Vontobel Europe AG. The Guarantee (see chapter XI. on page 179 of the Base Prospectus) may be obtained at the office of the Issuer, Bockenheimer Landstraße 24, 60323 Frankfurt am Main, Germany, during usual business hours.

The issue price of the Securities is set by Bank Vontobel Europe AG, Munich – supported by other companies of the Vontobel Group. Since the issue size (i.e. the number of Securities), the product features and the specific terms of the offer will only be determined at the time of the issue and not at the date of the Base Prospectus, this information and the Terms and Conditions set out below under section VIII. on page 79 et seq. of the Base Prospectus must be read together with the Final Terms, which complete the Base Prospectus and are published at the start of the Public Offer or Private Placement of the Securities respectively in accordance with § 14 WpPG.

The following description is intended to illustrate the general operation of the Securities. The Securities are described in detail in the Terms and Conditions.

The description of the method of operation generally assumes in that the Security is purchased at the issue price at the time of the issue. In case of purchases or sales of the Securities in the secondary market, particular attention should be paid to the spread, i.e. the difference between the buying and selling prices of the Securities set by the Market Maker.

The Issuer may also increase the issue size of Securities issued under the Base Prospectus.

1. Form of the Securities

Securities under the Base Prospectus may be issued as further explained in the following:

If the Registry Type of the Securities is stipulated to be German Global Certificates, the following shall apply:

The Securities will be evidenced by a global certificate (*Sammelurkunde*) in accordance with § 9 of the German Securities Custody Act (*Depotgesetz*) (the "**Global Certificate**"). The Global Certificate will be deposited with Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Germany (the "**Central Securities Depository**") and will be kept in custody by the Central Securities Depository until all obligations of the Issuer under the Securities have been fulfilled. No definitive securities will be issued. Bearers are entitled to co-ownership interests, economical ownership rights or comparable rights in the Global Certificates, which are transferable in accordance with the rules of the Central Securities Depository and the laws of Germany.

If the Registry Type of the Securities is stipulated to be Italian Uncertificated Certificates the following shall apply:

The Securities are issued in uncertificated and dematerialised book-entry form pursuant to the Italian Financial Services Act (*Testo Unico della Finanza*) and cleared through and registered Monte Titoli S.p.A., with registered office in Piazza degli Affari, 6, 20123 Milan, Italy (the "**Italian Central Securities Depository**") in accordance with the Legislative Decree No 213, dated 24 June 1998, the Legislative Decree No. 58, dated 24 February 1998 and the Rules governing central depositories, settlement services, guarantee systems and related management companies, issued by Bank of Italy and the Italian securities regulator (*Commissione Nazionale per le Società e la Borsa* - "**CONSOB**") on 22 February 2008.

No physical securities, such as global temporary or permanent securities or definitive securities will be issued in respect of the *Italian Uncertificated Certificates*.

The Securities are governed by German law. If the Registry Type of the Securities is specified to be Italian Uncertificated Certificates the legal effects of the registration with the Italian Central Securities Depository are governed by, and construed in accordance with, Italian law.

2. General description of the Securities

The Securities (Constant Leverage Certificates) issued under the Base Prospectus are securitized derivatives classified as 'leverage certificates' class B according to the current rules and instructions of Borsa Italiana S.p.A. Such Securities replicate, with a fixed leverage effect, the performance of the underlying.

The Securities are tradeable securities and give the respective Security Holder (in accordance with the Final Terms of the Securities) the right to the payment of a Cash Amount by the Issuer. The rights of the respective Security Holders are governed in detail by the applicable Terms and Conditions and are either materialised by a global certificate or global note or are registered as uncertificated, book-entry securities during the term of the Securities, in accordance with the Final Terms. The settlement procedure for the Securities is described in section 3 of the Terms and Conditions.

Each series of Securities is linked to particular Underlying (Factor Index) which again is based on various types of financial instruments (so-called Reference Instruments). The Reference Instrument is either a share, a security representing shares (ADR/GDR) or other dividend-bearing security, an (other) index, an exchange rate, a future or interest rate future, a precious metal or a commodity. On the basis of the Securities, investors can participate in the performance of a certain Reference Instrument indirectly via the Underlying (Factor Index) without having to purchase the respective Reference Instrument directly.

Because of various features of the Securities, an investment in the Securities described in the Base Prospectus is not comparable to a direct investment in the respective Underlying or in its Reference Instrument. Those features include, in particular, the inability to trade the Underlying (Factor Index) itself, the leverage effect achieved by the method of calculating the index, provision for the payment of the cash amount at maturity, the absence of the right to distributions (e.g. dividends), subscription rights or other similar income from the Underlying or its Reference Instrument, as well as the risk of the insolvency of the Issuer and of the Guarantor.

Furthermore, particularly Securities on Factor Indices presented in the Base Prospectus of the *Short* type are not comparable with a direct investment in the Underlying or in its Reference Instrument because changes in the value of the Factor Index (and therefore also of the Security) move in the opposite direction to changes in the value of the reference instrument.

The Reference Instrument and the functionality of the relevant Underlying (Factor Index) in each case are laid out in the description of the Factor Indices in chapter IX. (in the form as completed by the Final Terms).

Investors must therefore form a well-founded opinion about the performance of the respective Underlying (i.e. in particular of the respective Reference Instrument on which it is based) when making their investment decisions, and must always be aware that the past performance of an Underlying or of a Reference Instrument does not permit any conclusions to be drawn about its performance in the future. Investors must also always be aware that the performance of the market may be different from the performance that they had hoped for.

The purchase of the Securities may lead to a loss of the capital invested by the investor. **In the worst case, the risk of loss may result in the total loss of the capital invested and the transaction costs incurred.** This risk exists irrespective of the financial condition of the Issuer and of the Guarantor. The Securities will only produce a positive return if the Cash Amount is higher than the purchase price the investor has paid for the Security (including any associated costs and

fees). If the cash amount is lower than the purchase price paid (including any associated costs and fees), the investor will suffer a loss.

3. Description of the rights

Upon the purchase of the Securities, the Issuer grants each Security Holder the right to the exercise and redemption of the Securities in accordance with the Terms and Conditions, see chapter VIII. on page 79 et seq. of the Base Prospectus. All rights and obligations arising in connection with the Securities are determined in accordance with those Terms and Conditions.

The investor has the right to redeem the Securities (exercise right of the Security Holder), provided that the investor complies with the preconditions for effective exercise set out in section 4 of the Terms and Conditions. The Issuer has the right to terminate all of the Securities ordinarily pursuant to section 5 of the Terms and Conditions. In the event of an ordinary termination – as in the case of an extraordinary termination – the term of the Securities ends.

Limitations to the rights

In addition to particular rights applicable in the event of a disruption (see Section 7 of the Terms and Conditions under chapter VIII. on page 79 et seq. of the Base Prospectus), the Issuer has the ability to terminate the Securities extraordinarily by giving notice in certain cases described in Section 6 of the Terms and Conditions under section VIII. on page 79 et seq. of the Base Prospectus. These extraordinary termination rights will be exercised, for example, in the case of changes in the Underlying (e.g. as a result of changes in the Reference Instrument) where it is not possible in the Issuer's opinion to make an adjustment to the Securities that makes sense in financial terms.

Ranking of the Securities

The Securities constitute direct and unsecured obligations of the Issuer that rank *pari passu* in relation to one another and in relation to all other current and future unsecured and unsubordinated obligations of the Issuer, with the exception of obligations that have priority due to mandatory statutory requirements.

A detailed description of the rights attaching to the Securities – including any limitations to them – is contained in the Terms and Conditions.

4. Operation of the Securities

The following section contains a general description of the method of operation and principal features of the Securities that are the subject of the Base Prospectus. The final features of the Securities are specified in the Final Terms. The rights and obligations of the Issuer and of the Security Holders are governed finally by the Terms and Conditions.

Derivative component/leverage effect

A feature common to all of the Securities to be issued under the Base Prospectus is that they are linked to a Factor Index as the Underlying and are therefore **particularly risky investment instruments** which combine features of derivatives transactions with those of leveraged products. The leverage (factor) incorporated in the Factor Index and the associated **leverage effect** on the value of the index is the consequence of the fact that only a small amount of capital needs to be employed for an indirect investment in the reference instrument as the Underlying for the index in comparison with a direct investment in the Reference Instrument itself. As a result, these Securities create opportunities for profit that can be greater than those of other investments. At the same time, however, these Securities are also associated with **disproportionate risks of loss**.

With Securities whose Underlying is a Factor Index of the Long type, investors are able to benefit from rising prices of the respective reference instrument, while Securities whose Underlying is a Factor Index of the Short type enable investors to profit from falling prices of the reference instrument. Consequently, all Security Types have a derivative component, i.e. they are financial instruments whose value is derived from the value of another financial instrument, the Underlying or – on a leveraged basis, moreover – its Reference Instrument.

No current income

The Securities do not provide current income (such as interest or dividends). The only method of generating income is an increase in the price of the Security. Investors must always bear in mind that the performance of the market may differ from their expectations. The investor's potential gain or loss is always dependent on the purchase price paid for the Securities and is calculated as the difference between the purchase price and the Cash Amount, or the difference between the purchase price and the selling price in the event that the Securities are sold prior to maturity (in each case taking into account transaction costs and any taxes incurred).

Term, termination

Due to applicable Italian rules and regulations, Constant Leverage Certificates are securities with a finite term. Where the Securities have a finite term or the term ends early as a result of termination by the Issuer or for other reasons, there can be no assurance, in the event that the Security performs badly for the respective investor in relation to its purchase price, that its value will subsequently recover before the end of the term to a level at which the respective investor will at least not incur a loss. The term of the products ends in all cases with redemption on the relevant date in each case. Participation in any subsequent price movement of the Underlying in a direction that is favourable for the investor is excluded.

Ratio

The Securities are issued with a ratio. The ratio may be expressed as a number or as a fraction and indicates the number of units of the Underlying to which one Security is linked.

For example: If the ratio is expressed as the number 10, one Security is linked to 10 units of the Underlying. On the other hand, a ratio expressed as a fraction, for example 10:1, indicates that 10 Securities are linked to 1 unit of the Underlying. Since in the latter example one Security is linked to one tenth of an Underlying, therefore, this ratio could also be expressed as the number 0.1.

Currency conversion

If the Underlying for the Securities or its Reference Instrument is denominated wholly or partly in a currency other than the settlement currency, the respective rate of exchange between the currency of the Underlying and the settlement currency plays an important role in calculating the Cash Amount. This rate may be constantly changing and may be different on the date of the currency conversion from the rate of exchange on the date when the Securities were purchased. Changes in the rate of exchange between the currency of the Underlying and the settlement currency will already affect the value of the Securities during their term, since the bid and offer prices are quoted in the relevant settlement currency.

Redemption in the case of exercise or ordinary termination by the Issuer

Constant Leverage Certificates enable the investor to participate in a rise (Long type) or fall (Short type) in the Underlying on a leveraged basis taking into account certain parameters described below.

Constant Leverage Certificates do not have a fixed term and therefore do not grant the holder the right to payment of the Cash Amount on a particular date, specified in advance at the time of issue.

If the Security Holder is unable or unwilling to sell its Securities on a stock exchange or off-market, it will be able to require the Issuer to redeem the securities only if it exercises the rights attaching to the Securities on specified redemption dates and by doing so requests payment of a Cash Amount. The Cash Amount will also be paid in the event that the Issuer terminates the Securities. In

both cases, the rights attaching to the Securities will expire upon redemption (i.e. as a result of payment of the Cash Amount on the Maturity Date).

Calculation of the Cash Amount

The Cash Amount corresponds to the reference price of the Underlying on the valuation date under consideration of the ratio. Subject to any postponement (inter alia due to a market disruption), the valuation date is the exercise date chosen by the Security Holder. In the event of ordinary termination by the Issuer, the valuation date, and therefore the time at which the Ordinary Termination Amount (which is calculated analogous to the Cash Amount) is calculated, is based on the time and content of the termination (see details in Section 5 of the Terms and Conditions under chapter VIII. on page 79 et seq. of the Base Prospectus).

If the currency of the Underlying is different from the settlement currency of the Securities, the Cash Amount is converted into the settlement currency of the Securities in accordance with the relevant conversion rate.

If the Cash Amount calculated is not positive, the security right expires worthless, signifying a total loss.

5. General description of the Underlying

The Underlyings for the Securities are **Factor Indices**. The discussion below contains a general analysis of the Factor Indices and their method of operation. A detailed description of the Factor Indices can be found in the respective Index Description (chapter IX.) in the form in which it is published in the respective Final Terms.

The relevant Final Terms will specify the respective Underlying and contain information about the respective Underlying.

Information about the past and further performance of the Underlying and its volatility can be obtained on the internet at <https://indices.vontobel.com>.

The Issuer does not intend to provide further information about the Underlying after the issue.

The Factor Indices are not recognised financial indices, but indices designed and calculated by Bank Vontobel AG as the index calculation agent, the sole function of which is to serve as the Underlying for this type of securities (Constant Leverage Certificates).

The Factor Indices reflect the daily percentage change in value of a particular reference instrument with a particular degree of leverage (**Factor**). The Factor is specified at the start of a new Factor Index and always remains unchanged for the entire calculation period of the Factor Index. The reference instruments may be shares, securities representing shares (ADRs/GDRs), other dividend-bearing securities, indices, exchange rates, futures or interest rate futures, precious metals or commodities. A Factor Index may focus on rising (**Long**) or falling (**Short**) prices of the reference instrument. Factor Indices therefore replicate a leveraged investment in a reference instrument.

In the case of a **Long** Factor Index, a rise in the price of the reference instrument – compared with the price of the reference instrument for the preceding day – results in a correspondingly leveraged percentage rise in the Factor Index. A fall in the price of the reference instrument is reflected in a correspondingly leveraged fall in the Factor Index. A **Short** Factor Index behaves in the **opposite** (inverse) manner: In this case, a rise in the price of the reference instrument results in a correspondingly magnified fall in the Factor Index, while a fall in the price of the reference instrument leads to a magnified rise in the Factor Index. Accordingly, the leverage effect means that Factor Indices are capable of suffering disproportionate price losses which can range up to a total loss.

In order to ensure that the value of the Factor Index does not become zero (0) or negative within one day due to a sharp movement in the price of the reference instrument, every Factor Index has a

"Barrier" specified at the start of the index: In the event of price losses in the Factor Index that are too high (depending on the structure of the respective Factor Index), the calculation of the Factor Index is interrupted and a new day is simulated.

Factor Indices are calculated from two components: the (i) leverage component, and the (ii) financing component.

Leverage component

In the case of the **Long** version, a percentage increase in the reference instrument results in an increase in the leverage component equal to a multiple – in accordance with the Factor – of that percentage. Conversely, a declining price of the reference instrument results in a corresponding decline in the leverage component. A **Long** Factor Index therefore replicates a multiple investment in the reference instrument. The performance of this multiple investment is reflected in the Factor Index by the leverage component.

In the **Short** version, a percentage fall in the reference instrument results in a rise in the leverage component equal to a multiple – in accordance with the Factor – of that percentage. Conversely, a rising price of the reference instrument results in a corresponding fall in the leverage component. A **Short** Factor Index therefore replicates - for shares, (share) indices and precious metals/ commodities as the reference instrument - a multiple short sale of the reference instrument. The term **"Short Sale"** refers to the sale (for example) of the reference instrument, even though it is not owned by the seller at the time when the sale agreement is entered into. In order to ensure that the seller is able to deliver the reference instrument sold at the latest a few days after the conclusion of the sale agreement (so-called settlement), the seller has either already borrowed the reference instrument at the time when the sale agreement is entered into or has reached an agreement to borrow the reference instrument in order to be able to deliver it on settlement (**"Repurchase Agreement"**).

Financing component

If the investor was pursuing the investment strategy of a **Long** Factor Index he would need to buy the reference instrument multiple times depending on the amount of leverage (Factor). In the case of a **Short** Factor Index, the reference instrument would have to be sold short multiple times in accordance with the leverage (Factor).

This would also give rise to costs and possibly to income, depending on the type of reference instrument (see the overview below). These costs and any income earned are incorporated into the calculation of the Factor Index as the "financing component". As long as any income earned is less than the costs incurred, the financing component will therefore reduce the value of the Factor Index.

In addition, the index calculation agent calculates an index fee, which is also included in the Index Calculation as part of the financing component. The index fee is a fee set by the index calculation agent for the calculation and administration of the index which also has the effect of reducing the value of the Factor Index. For example, if the index fee amounts to 1.0% p.a., the level of the index will be reduced by 0.00277778% of the index level per calendar day (on the basis of a 360-day year) as a result of the deduction of the index fee.

The following overview shows the costs (-) and income (+) included in the calculation of Factor Indices as part of the financing component, analysed by type of Underlying and type of Factor Index:

Reference instrument	Long Factor Index	Short Factor Index
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Reference instrument	Long Factor Index	Short Factor Index
Share ¹	<ul style="list-style-type: none"> - costs of obtaining capital for multiple purchases of the reference instrument - index fee 	<ul style="list-style-type: none"> - costs of obtaining multiple reference instruments using repurchase agreements + income from investing the proceeds of multiple short sales of the reference instrument as overnight money - index fee
Index ²	<ul style="list-style-type: none"> - costs of obtaining capital for multiple purchases of the reference instrument (or of its constituents) - index fee 	<ul style="list-style-type: none"> - costs of obtaining multiple reference instruments (or their constituents) using repurchase agreements + income from investing the proceeds of multiple short sales of the reference instrument as overnight money - index fee
Exchange rate ³	<ul style="list-style-type: none"> - costs of obtaining capital in currency 2⁴ + income from investing that capital in currency 1 	<ul style="list-style-type: none"> - costs of obtaining capital in currency 1⁵ + income from investing that capital in currency 2
Future/ interest rate future	<ul style="list-style-type: none"> - costs of margin payments on futures contracts + income from investing the equivalent value of the Factor Index as overnight money - index fee 	<ul style="list-style-type: none"> - costs of margin payments on futures contracts + income from investing the equivalent value of the Factor Index as overnight money - index fee
Precious metal/ commodity	<ul style="list-style-type: none"> - costs of obtaining capital for multiple purchases of the reference instrument - index fee 	<ul style="list-style-type: none"> - costs of obtaining multiple reference instruments using repurchase agreements + income from investing the proceeds of multiple short sales of the reference instrument as overnight money - index fee

¹ The information given also applies to securities representing shares (ADRs/GDRs) and other dividend-bearing securities.

² Since it is not possible to acquire an index itself, such a strategy can only be implemented by acquiring the index constituents in accordance with their weightings in the index. As an alternative, it would also be possible in practice to replicate the performance of the index using ETFs, tracker certificates or other derivatives such as futures, options or swap agreements.

³ The reference instrument is an exchange rate between a currency pair (currency 1/ currency 2). An increase in an exchange rate (currency 1/ currency 2) therefore indicates that currency 1 is appreciating and currency 2 is depreciating, and vice versa. One point in the Factor Index corresponds to one unit of currency 2.

Example of exchange rates:

Currency 1 = EUR, currency 2 = USD, EUR/USD exchange rate = USD 1.3300 (standard market quotation)

Currency 1 = USD, currency 2 = EUR, USD/EUR exchange rate = EUR 0.7519 (nonstandard quotation)

⁴ In order to make multiple purchases of the exchange rate to establish the leverage component, currency 2 is borrowed and converted into currency 1.

⁵ In order to make multiple sales of the exchange rate to establish the leverage component, currency 1 is borrowed and converted into currency 2.

Theoretical example of the operation of the Vontobel Leveraged Indices (Factor Indices)

The purpose of this section is to demonstrate the method of operation of the Vontobel Leveraged Indices in both Long and Short versions using a **theoretical example**. Financing costs, fees (financing component) and any distributions on the reference instrument are not taken into account for this purpose; it is assumed that the reference instrument and the index are quoted and calculated to two decimal places.

The purpose of this example is solely to illustrate the method of operation of the Factor Indices and, in particular, it does not permit any conclusions to be drawn about specific features of a Factor Index.

The example is based on the following assumptions:

1. The reference instrument has a value of 100 currency units on day T_0 .
2. One currency unit of the reference instrument corresponds to one currency unit of the Factor Index.
3. The leverage (Factor) is 4.

The table below shows the theoretical performance of the reference instrument and of a Long Factor Index and a Short Factor Index linked to it.

Day	Reference instrument	Change	4x Long Factor Index	-4x Short Factor Index
T 0	100.00		100.00	100.00
T 1	105.00	+5.00%	120.00	80.00
T 2	110.25	+5.00%	144.00	64.00
T 3	115.76	+5.00%	172.79	51.21
T 4	100.00	-13.61%	78.69	79.10
T 5	90.00	-10.00%	47.21	110.74
T 6	99.00	+10.00%	66.09	66.44
T 7	108.90	+10.00%	92.53	39.86
T 8	100.00	-8.17%	62.28	52.89

Both the Long and the Short Factor Index start at 100. The underlying Reference Instrument rises by 5% on each of the first 3 days. The reference instrument itself therefore records cumulative growth in value of 15.76% (100 → 115.76) up to day 3. Although both indices offer a leverage factor of 4 or -4, respectively, the Factor Index does not simply rise (Long) or fall (Short) four times as far, i.e. +63.04% or -63.04% ($= 4 \times 15.76\%$), respectively. A simple calculation of this sort ignores the fact that the starting price, i.e. the index closing value, is reset each day and then forms the basis for the calculation of the index on the next day.

By way of illustration, the first four days are analysed in greater detail below:

T 1: The reference instrument has risen by 5%. The movement in the Factor Indices is correspondingly leveraged and amounts to a rise (Long) or fall (Short) of $4 \times 5\% = 20\%$. This respective gain/loss in value is calculated on the basis of the previous day's closing price of the Factor Index, in this case 100.00. The Long Factor Index therefore rises to 120.00 ($= 100.00$ plus 20% of 100.00), while the Short Factor Index falls to 80.00 ($= 100.00$ less 20% of 100.00). These values now represent the respective starting points for the following day.

T 2: The reference instrument has risen to 110.25. In comparison with its closing price on day T 1 this represents a further increase of 5%. The movement in the Factor Indices is correspondingly leveraged and again amounts to a rise (Long) or fall (Short) of $4 \times 5\% = 20\%$. This respective

gain/loss in value is calculated on the basis of the closing prices of the Factor Indices on day T 1, i.e. 120.00 (Long) and 80.00 (Short).

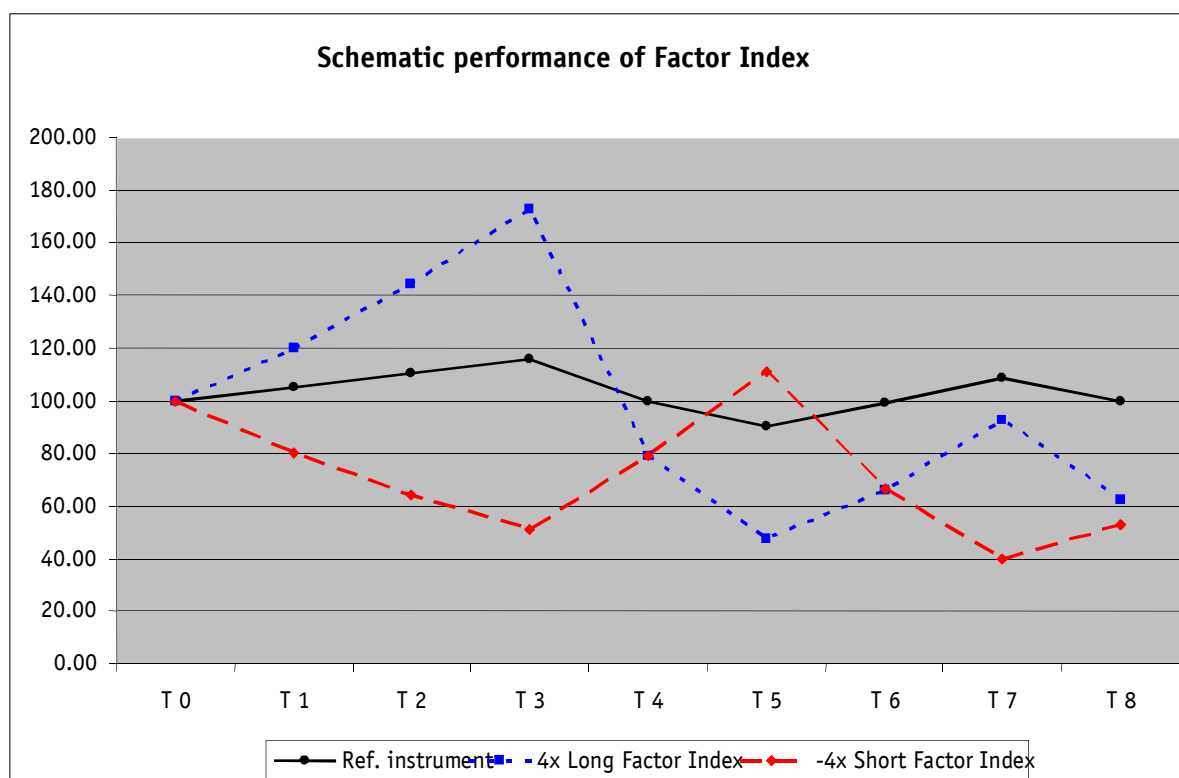
The Long Factor Index therefore rises to 144.00 (= 120.00 plus 20% of 120.00) on day T 2, while the Short Factor Index falls to 64.00 (= 80.00 less 20% of 80.00). These values now represent the respective starting points for the following day.

T 3: The reference instrument has risen to 115.76. In comparison with its closing price on day T 2 this represents a further increase of 5%. The movement in the Factor Indices is correspondingly leveraged and amounts to a rise (Long) or fall (Short) of $4 \times 5\% = 20\%$. This gain/loss in value is calculated on the basis of the closing prices of the Factor Indices on day T 2, i.e. 144.00 (Long) and 64.00 (Short).

The Long Factor Index therefore rises to 172.79 (= 144.00 plus 20% of 144.00) on day T 3, while the Short Factor Index falls to 51.21 (= 64.00 less 20% of 64.00). These values now represent the respective starting points for the following day.

T 4: The decline of 13.61% (after rounding) to 100.00 in the reference instrument on day T 4, i.e. to the original level on day T 0, generates a decline of 54.457% ($4 \times 13.614\%$) in the Long Factor Index within one day. It falls to 78.69 (= 172.79 less 54.457% of 172.79). In contrast, the Short Factor Index recovers by 54.457% ($4 \times 13.614\%$) to 79.10 (= 51.21 plus 54.457% of 51.21).

The following graph shows the performance of the reference instrument, on one hand, and of the Long and Short Factor Indices, on the other.



The illustration shows that the daily adjustment of the starting price results in a greater change in the Factor Index than expected. The daily adjustment can also have the opposite effect and can mitigate price losses. However, a negative consequence of the daily adjustment of the starting price is that once the index has sustained price losses due to a negative movement in the reference instrument, a recovery in the index due to the same positive movement in the reference instrument will not be able to make up the full amount of the losses incurred.

In this example, the price of the reference instrument remains ultimately unchanged after eight (8) days of volatile sideways movement, but both the Long Factor Index and the Short Factor Index have lost more than 40% of their original value. **An investment in Constant Leverage Certificates with daily adjustment of the starting price therefore results in losses for the investor during phases of sideways movement (reference instrument rising and falling alternately).**

VIII. TERMS AND CONDITIONS

The provisions of the following "**Terms and Conditions**" principally apply to all Constant Leverage Certificates to be issued under the Base Prospectus as completed by the information in the respective Final Terms to the Base Prospectus, please refer to the Form of Final Terms in chapter XI.

The product details identified by means of a placeholder • or square brackets [] as an option in these Terms and Conditions will not be specified by the Issuer until shortly prior to the start of the offer and will be completed and/or selected in the Final Terms.

References in the Base Prospectus or in the Final Terms to the term "**Securities**" are intended to include all securities and every form in which securities are issued under the Base Prospectus and the Final Terms.

Section 1 Security Right, Status, Guarantee

(1) Vontobel Financial Products GmbH, Frankfurt am Main, Germany (the "**Issuer**") from time to time issues Securities to which these terms and conditions in the form as completed by the Final Terms (the "**Terms and Conditions**") shall apply.

(2) Each Security identified by its respective securities identification numbers shall contain the right for each Security Holder (as defined in section 8 of these Terms and Conditions) to demand from the Issuer redemption of the Security in accordance with section 3 of these Terms and Conditions (the "**Security Right**").

(3) The Securities shall not bear interest and shall not entitle the Security Holder to dividend payments or other distributions. Termination of the Securities by the Security Holders during the term shall not be possible.

(4) The obligations arising from the Securities constitute direct and unsecured obligations of the Issuer that rank *pari passu* in relation to one another and in relation to all other unsecured and unsubordinated obligations of the Issuer, with the exception of obligations that have priority due to mandatory statutory requirements.

(5) The performance of the Issuer's obligations under these Terms and Conditions is guaranteed by Bank Vontobel Europe AG, Munich, Germany (the "**Guarantor**"). The obligations of the Guarantor under the guarantee (the "**Guarantee**") constitute direct, unsubordinated and unsecured obligations of the Guarantor ranking, in the event of dissolutions, liquidation or insolvency of the Guarantor or any proceeding to avoid insolvency of the Guarantor, *pari passu* with all other present and future unsubordinated and unsecured obligations of the Guarantor, save for such obligations which may be preferred by applicable law. Upon first written demand by the Security Holders and their written confirmation that an amount under the Securities has not been paid when due by the Issuer, the Guarantor shall pay to them all amounts required to fulfil the intent and purpose of the Guarantee. Payments under the Guarantee are subject to (without limitation) the Terms and Conditions of the Securities. The form and content of the Guarantee as well as all rights and duties arising therefrom are governed exclusively by the laws of Germany. Non-exclusive court of venue for all litigation with the Guarantor and arising from the legal relations established under the Guarantee is Munich.

Section 2 Definitions

Subject to any adjustments pursuant to section 6 of these Terms and Conditions, extraordinary termination in accordance with section 6 of these Terms and Conditions and subject to a Market

Disruption pursuant to section 7 of these Terms and Conditions, the following definitions shall apply for the purposes of these Terms and Conditions.

Business Day	<p>means a day (other than a Saturday or Sunday)</p> <p>(a) on which the Central Securities Depository and/or Clearing System is open for business transactions; and</p> <p>(b) on which either (i) – for payments to be made in Euro – the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) System is operating or (ii) – for payments to be made in any other currency than Euro – commercial banks and foreign exchange markets in the principal financial centre in the country of the currency process payments and are open for business transactions (including trading in foreign exchange and foreign currency deposits).</p>
Cash Amount	<p>[The Cash Amount shall correspond to the Reference Price of the Underlying on the Valuation Date divided by the Ratio.]</p> <p>[The Cash Amount shall correspond to the Reference Price of the Underlying on the Valuation Date multiplied by the Ratio.]</p>
Constituent of the Underlying	shall mean the reference instrument of the Underlying.
Currency Conversion	<p>All cash amounts payable under the Securities shall – if Settlement Currency and the Currency of the Underlying differ – be converted into the Settlement Currency at the Conversion Rate.</p> <p>"Conversion Rate" means</p> <p>[the relevant conversion rate between the Currency of the Underlying and the Settlement Currency, as determined by the European Central Bank for the Valuation Date and as retrievable on the website of the European Central Bank, www.ecb.int, under the heading "Euro Foreign Exchange Reference Rates".]</p> <p><i>[insert modified provision for the determination of the relevant Conversion Rate, as the case may be: •]</i></p> <p>If such a Conversion Rate is not determined or published, the Calculation Agent shall specify the Conversion Rate applicable at the time of determination of the Reference Price on the Valuation Date in its reasonable discretion.</p>
Derivatives Exchange	The Derivatives Exchange for the purposes of the Terms and Conditions, in particular for determining Market Disruptions in accordance with section 7 or making adjustments in accordance with section 6, shall be the exchange or trading system with the highest trading volume in options and futures contracts linked to the respective Constituent of the Underlying, together with its legal successors and any substitute exchange or substitute trading system to which trading in options and futures contracts linked to the Constituent of the Underlying has been transferred.

Exercise Agent	shall mean	<p>[BNP PARIBAS Securities Services, Milan Branch Via Ansperto no. 5 20123 Milan Italy Telephone: +39 02 7247 4156 - 4292 Fax: +39 02 7247 4130 – 4260]</p> <p>[Bank Vontobel AG for the attention of Corporate Actions Gotthardstrasse 43 8002 Zurich Switzerland Telephone: +41 (0)58 283 74 69 Fax: +41 (0)58 283 51 60]</p> <p>[●]</p>
Exercise Cut-off Date	shall mean	each [fifth (5 th)] [●] [Business Day] [●] before an Exercise Date.
Exercise Dates	shall mean	● [, commencing as of ●].
Exercise Time		●
Renouncement Cut-Off Time	Notice	[4.00 pm (Milan time) on the Expiry Date (<i>Data di Scadenza</i>), if applicable in accordance with Borsa Italiana S.p.A. regulations applicable from time to time (please also see the form of renouncement notice set out at Annex of these Final Terms).] [●]
Expiry Date (<i>Data di Scadenza</i>)		[shall mean the Valuation Date.] [[●] Business Days following the Valuation Date.] [●]
Governing Law		The Securities, as specified in the respective Final Terms, are governed by German Law. If the Registry Type of the Securities is specified to be Italian Uncertificated Certificates the legal effects of the registration of the Securities with the Italian Central Securities Depository are governed by, and construed in accordance with, Italian law.
Index Calculation Agent	shall mean	Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland.
Index Concept	shall mean	for the purposes of these Terms and Conditions the rules on which the respective Underlying for the Securities is based, as derived from the respective index description in the form in which it is published in the Final Terms and appended to the Terms and Conditions.
Index Day	shall mean	a day on which the Index Calculation Agent normally calculates and publishes the Underlying in accordance with the Index Concept.
Issue Date		●
Issue Size	(up to)	● Securities.
Maturity Date	shall be at the latest	the [fifth (5 th)] [seventh (7 th)] [●] Business Day following the Valuation Date.

Minimum Exercise Number	•
Product Features	shall mean the Underlying and the Ratio.
Ratio	The Ratio shall be expressed as a [fraction and shall amount to • : •] [number and shall amount to •].
Reference Price	The Reference Price shall be the relevant price of the Underlying for the purpose of determining and calculating the Cash Amount and shall correspond to the [index [opening] [closing] value determined and published by the Index Calculation Agent on the Valuation Date] [•].
Registry Type	[German Global Certificates] [Italian Uncertificated Securities]
Settlement Currency	of the Securities shall mean [EUR] [USD] [•].
Term	means the term of the Securities as specified in the Terms and Conditions and as completed by the information in the respective Final Terms. The Term always commences from the Issue Date.
Termination Cut-Off Date	shall be [30 Business Days] [•] prior to the relevant Termination Date.
Termination Date	shall mean • [, commencing as of •].
Underlying	<i>[insert name of Factor Index:</i> •] [ISIN: •] Currency of the Underlying: [EUR][USD][CHF][JPY][HKD][SGD][GBP][NOK] [SEK][AUD][DKK] For the purposes of the Terms and Conditions, one index point corresponds to one unit of the Currency of the Underlying. The Index Concept on which the Underlying is based is derived from the index description as set out in number III. of the respective Final Terms.
Valuation Date	shall mean [(a) in case of valid exercise by the Security Holder pursuant to section 4 of the Terms and Conditions the relevant Exercise Date; (b) in case of Ordinary Termination by the Issuer pursuant to section 5 of the Terms and Conditions the Ordinary Termination Date; (c) in other cases [•] which is the date on which the Security Right is deemed to be exercised automatically pursuant to section 3 of the Terms and Conditions] [the Expiry Date] [•]. If the Valuation Date is not an Index Day, the Valuation Date shall be postponed to the next following Index Day.

Section 3 Redemption, Maturity

(1) Unless terminated and redeemed early, each Security shall be automatically exercised on the Valuation Date and expire on the Expiry Date (*Data di Scadenza*). Each such Security shall be redeemed on the Maturity Date at which time the Security Holder will be entitled to receive the Cash Amount in accordance with the other provisions of the Terms and Conditions. If the Cash Amount is not positive, the Security Right shall expire worthless.

(2) As long as the Security has not expired automatically, the payment of the Cash Amount can only be effected by the valid exercise of the Security Right by the Security Holder pursuant to section 4.

(3) The Issuer shall have the right to terminate the Securities ordinarily pursuant to section 5. Ordinary Termination shall also give the Security Holder the right to require the Security to be redeemed, i.e. to require payment of the Ordinary Termination Amount.

(4) However, for as long as the Securities are admitted to listing on the Italian Stock Exchange and to trading on the SeDeX of Borsa Italiana S.p.A., each Security Holder may renounce the automatic exercise of the relevant Security prior to the Renouncement Notice cut-off time specified in the Issue Specific Summary (the "**Renouncement Notice Cut-Off Time**") by the delivery or sending by fax of a duly completed renouncement notice substantially in the form set out in the annex to this section VIII.1 (see section Annex – Form of Renouncement Notice on page 93 et seq. of the Base Prospectus) (the "**Renouncement Notice**") - in accordance with the rules of the Italian Stock Exchange or any other Italian regulated market or multilateral trading facility so requiring (applicable from time to time), to the relevant Clearing System, the Calculation Agent, the Paying Agent, with a copy to the Issuer and any other relevant Agent(s).

Once delivered, a Renouncement Notice shall be irrevocable and may not be withdrawn. If a duly completed Renouncement Notice is validly delivered prior to the Renouncement Notice Cut-Off Time, the relevant Security Holder will not be entitled to receive any amounts payable by the Issuer in respect of relevant Securities and the Issuer shall have no further liability in respect of such Securities. After delivery of a Renouncement Notice, the relevant Security Holder may not transfer the relevant Securities which are the subject of such Renouncement Notice.

Any determination as to whether a Renouncement Notice is duly completed and in proper form shall be made by the relevant Clearing System (in consultation with the Issuer and the Paying Agent), in good faith and in a reasonable manner, and shall be conclusive and binding on the Issuer, the Agents and the relevant Security Holder. Subject as set out below, any Renouncement Notice so determined to be incomplete or not in proper form shall be null and void. If such Renouncement Notice is subsequently corrected to the satisfaction of the relevant Clearing System (in consultation with the Issuer and the Paying Agent), it shall be deemed to be a new Renouncement Notice submitted at the time such correction was delivered to the relevant Clearing System with a copy thereof to the Paying Agent [and to the Calculation Agent]. In the event that a Security Holder does not execute, where applicable, a duly completed Renouncement Notice in accordance with the provisions hereof, the relevant Securities shall be exercised automatically and shall be repaid in the manner set out in the relevant Issue Specific Summary and Final Terms, and the Issuer's obligations in respect of such Securities shall be discharged and no further liability in respect thereof shall attach to the Issuer.

Section 4 Exercise Right of the Security Holder

(1) The Security Holder may exercise the Security Right on each Exercise Date.

The exercise of the Security Right in accordance with the following provisions shall give the Security Holder the right specified in section 3 (1) to demand payment of the Cash Amount by the Issuer.

(2) The exercise by the Issuer of its right to Ordinary Termination pursuant to section 5 shall not prevent the Security Holder from exercising the Security Right with effect to an Exercise Date up until the Ordinary Termination Date (as defined in section 5 (2)) (excluding). An Exercise Notice (as defined below) with respect to an Exercise Date on or after this date shall be invalid.

(3) In order to validly exercise the Security Right with respect to an Exercise Date the Security Holder is obliged to

- (a) deliver duly completed and filled in Exercise Notice via the account holding bank to the Exercise Agent in the form available at the Exercise Agent or by providing all information and statements as provided for in paragraph (4) below; and
- (b) deliver the Securities via the account holding bank to the account of the Exercise Agent with the Central Securities Depository.

The Exercise Notice has to be received by the Exercise Agent until the Exercise Cut-Off Date for the relevant Exercise Date by the Exercise Time. The Securities have to be delivered to the account of the Exercise Agent with the Central Securities Depository until the Exercise Date.

The Exercise Agent may further agree with the Issuer other circumstances in which an Exercise Notice is to be deemed as valid.

(4) Security Rights can only be exercised for the Minimum Exercise Number of Securities or for an integral multiple thereof. Any exercise of less than the Minimum Exercise Number of Securities shall be void. Any exercise of more than the Minimum Exercise Number of Securities that is not an integral multiple thereof, shall be deemed to be an exercise of the next smaller number of Securities which is the minimum number or an integral multiple thereof. Securities exceeding the Minimum Exercise Number or an integral multiple thereof shall be re-transferred for the cost and the risk of the Security Holder to the account holding bank.

(5) The "**Exercise Notice**" shall be a notice submitted by the Security Holder giving the following information:

- (a) name and address of the Security Holder,
- (b) notice by the Security Holder of his irrevocable intention hereby to exercise his Security Right,
- (c) exact description of the Securities (including the ISIN), the series and the number of Securities for which the Security Right is being exercised,
- (d) representation that, the Security is not being exercised, and the Exercise Notice or the Delivery Notice, as applicable, is not being delivered within the United States, the holder is not a U.S. person (as defined in Regulation S under the United States Securities Act of 1933, as amended), the Security is not being exercised, or the Delivery Notice is not being delivered, on behalf of a U.S. person and no cash, no securities or other property have been or will be transferred in the United States or to, or the account of benefit of, a U.S. person in connection with any exercise or redemption thereof, and
- (e) settlement instructions for the account holding bank.

(6) The Exercise Notice shall be binding and irrevocable once it has been received by the Exercise Agent.

If the requirements laid out in paragraphs (2) to (4) above are met on the relevant Exercise Cut-Off Date by the Exercise Time, the Exercise Notice shall take effect on the respective Exercise Date. If an Exercise Notice is received late (i.e. after the relevant Exercise Cut-Off Date by the Exercise Time) or if the Securities to which an Exercise Notice relate are not delivered to the Exercise Agent at the

proper time or not delivered at all, such Exercise Notice shall become effective on the next following Exercise Date for which the requirements laid out in paragraphs (2) to (4) are met.

If the number of Securities specified in the Exercise Notice differs from the number of Securities transferred within the period specified, then the Exercise Notice shall be deemed to have been submitted only in respect of the number of Securities corresponding to the lesser of the two figures.

In both cases, surplus Securities shall be retransferred to the account holding bank at the cost and risk of the Security Holder.

(7) Once a valid Exercise Notice has been submitted, no further transfer of the Securities shall be permitted.

(8) Upon payment of the Cash Amount, all rights of the Security Holder deriving from the Securities exercised shall expire.

Section 5 Ordinary Termination of the Securities by the Issuer

(1) The Issuer shall have the right to terminate all of the Securities ordinarily on a Termination Date ("**Ordinary Termination**").

(2) Ordinary Termination shall be effected by giving notice in accordance with section 12. The Issuer shall give notice of the Ordinary Termination at the latest by the Termination Cut-Off Date. The notice must specify the date on which the termination becomes effective (the "**Ordinary Termination Date**") and shall be irrevocable.

(3) In the event of an Ordinary Termination, the Term of the Securities shall end on the Ordinary Termination Date. The Issuer will pay the ordinary termination amount (the "**Ordinary Termination Amount**") to the Security Holder. The calculation and payment of the Ordinary Termination Amount for each Security shall follow the same procedure as the calculation and payment of the Cash Amount upon exercise in accordance with section 4; the Ordinary Termination Date shall replace the Exercise Date in all respects. The rights arising from the Securities shall expire upon payment of the Ordinary Termination Amount.

(4) The right of the Security Holder to exercise the Security Right to an Exercise Date prior to the Ordinary Termination Date shall remain unaffected. An Exercise Notice submitted in relation to the Ordinary Termination Date or a later Exercise Date shall be invalid.

Section 6 Adjustments, Extraordinary Termination of the Securities by the Issuer

(1) If, with respect to an Underlying, one of the events described below is announced in advance or occurs (the "**Adjustment Event**"):

- (a) change, adjustment or other measure affecting the relevant concept and the calculation of the Underlying, resulting, in the reasonable discretion of the Issuer (*sections 315, 317 BGB*), in the relevant concept or the relevant calculation of the Underlying no longer being comparable to those applicable on the Issue Date. These factors are no longer comparable if, in particular, a change, adjustment or other measure results in a material change in the Underlying despite the fact that the prices of a Constituent of the Underlying and its weighting remain the same.
- (b) cancellation of the Underlying and/or replacement by a different index concept; or
- (c) for any other reason that has comparable economic effects

the Issuer may adjust the Security Right in accordance with the following provisions.

(2) If an Adjustment Event pursuant to paragraph (1) exists, the Issuer will adjust the Security Right - subject to termination pursuant to paragraph (3) - in its reasonable discretion (*in accordance with sections 315, 317 BGB*) and taking into account the most recent price determined for the Underlying, provided that the Due Date (as defined below) for the Adjustment Event is prior to the or prior to a Valuation Date or falls on that date, and for this purpose will determine Product Features to be adjusted the economic effect of which will correspond as closely as possible to the previous provisions.

The Issuer may, in exercising its discretion for the purpose of making the adjustment, base the timing and substance of the adjustment on the manner in which the Derivatives Exchange makes corresponding adjustments for futures or options contracts on the Underlying (index) or on a Constituent of the Underlying traded on it, but shall not be obliged to do so. If doubts arise relating to the application of the adjustment rules of the Derivatives Exchange, the Issuer shall decide such questions in its reasonable discretion (*in accordance with sections 315, 317 BGB*). The Issuer shall be entitled where appropriate to depart from the adjustments made by the *Derivatives Exchange* if it considers such a course of action to be necessary in its reasonable discretion (in accordance with sections 315, 317 BGB) in order to reflect differences between these Securities and the futures or options contracts traded on the Derivatives Exchange.

"Due Date" within the meaning of these Terms and Conditions means the first Index Day on which trading in the corresponding futures or options contracts takes place after taking account of the adjustment.

If the Underlying (index) is cancelled or replaced by a different index concept, or if it is not possible to continue the licensing agreement between the Index Calculation Agent and the Issuer or the Calculation Agent, the Issuer shall determine, making corresponding adjustments to the Product Features where appropriate, whether the calculation of the Security Right shall be based in future on another Index Concept and on which other Index Concept.

If the Underlying is no longer calculated and determined and/or published by the Index Calculation Agent but by another person, company or institution that the Issuer in its reasonable discretion (in accordance with sections 315, 317 BGB) considers to be suitable (the **"Substitute Index Calculation Agent"**), then the Cash Amount shall be calculated where applicable on the basis of the Underlying calculated and published by the Substitute Index Calculation Agent. All references to the Index Calculation Agent contained in these Terms and Conditions shall be deemed to refer analogously to the Substitute Index Calculation Agent.

(3) If, in the reasonable discretion of the Issuer (*in accordance with sections 315, 317 BGB*), (i) an appropriate adjustment or the determination of another relevant index concept is not possible for any reason whatsoever (or if the Derivatives Exchange terminates the futures or options contracts based on the Underlying early, or would do so if corresponding futures or options contracts were traded there), or (ii) the Substitute Index Calculation Agent is not qualified, or (iii) if the Substitute Index Calculation Agent materially modifies the calculation method of an Underlying (index) with effect on or after the Issue Date, or materially modifies the Underlying (index) in any other way (except for modifications which are contemplated in the calculation method of the Index relating to a change with respect to the Underlying (index) components, the market capitalisation or with respect to any other routine measures), then the Issuer shall be entitled, but not obliged, to (a) continue the calculation and publication of the Underlying (index) on the basis of the former concept of the Underlying (index) and its last determined level or (b) terminate the Securities extraordinarily (**"Extraordinary Termination"**) by giving notice in accordance with section 12 specifying the Termination Amount defined in the following. The termination shall become effective at the time notice is given in accordance with section 12 (**"Extraordinary Termination Date"**). In this event, the Term of the Securities shall end on the Extraordinary Termination Date.

In the event of Extraordinary Termination, the Issuer shall pay to each Security Holder within five Business Days following the Extraordinary Termination Date an amount for each Security (the "**Extraordinary Termination Amount**") determined by the Issuer or the Calculation Agent in its reasonable discretion (*in accordance with sections 315, 317 BGB*) as the appropriate market price of a Security. In other respects, the rules set out in section 10 shall apply analogously to the payment of the Extraordinary Termination Amount.

(5) Adjustments and determinations and the date on which they come into effect shall be notified by the Issuer pursuant to section 12.

Section 7 Market Disruption

(1) If a Market Disruption, as defined in paragraph (3), occurs or exists on the Valuation Date, or if the Reference Price of the Underlying is not determined, the next following Index Day on which the Market Disruption has ceased to exist or on which the Reference Price of the Underlying is determined again shall be deemed to be the Valuation Date. The Maturity Date shall be postponed accordingly. The Issuer shall endeavour to give notice without delay in accordance with section 12 that a Market Disruption has occurred. There shall be no obligation to give notice, however.

(2) If the Valuation Date has been postponed for five consecutive Index Days, the fifth Index Day shall be deemed to be the Valuation Date. In this event, the Issuer in its reasonable discretion (*in accordance with sections 315, 317 BGB*) shall designate as the Reference Price an applicable value of the Underlying that reflects in its judgment the prevailing market conditions on the Valuation Date.

(3) "**Market Disruption**" shall mean

- (a) the temporary suspension or material restriction of trading in an individual *Constituent of the Underlying* on the exchange or in the trading system used by the Index Calculation Agent for the purpose of calculating the Underlying in accordance with the relevant index description.

A reduction in the trading period or number of trading days does not constitute a Market Disruption if it is the result of a previously announced change to the normal business hours. A restriction on trading imposed during a trading day for the purpose of preventing price movements that would exceed particular prescribed limits constitutes a Market Disruption if that restriction remains in place until the end of the trading period on the day in question.

or

- (b) the event that the interest rate used by the Index Calculation Agent for the purpose of calculating the Underlying in accordance with the relevant index description is not determined.

The cases described in section 6 (1) that give rise to an Adjustment Event do not fall under the foregoing definition.

Section 8 Governing Law, Form of Securities, Clearing System, Transferability

(1) The Securities and the rights and duties of the Security Holder, the Issuer, the Paying Agents and the Calculation Agent shall in all respects be governed by the laws of Germany. If the Registry Type of the Securities is specified to be Italian Uncertificated Certificates, as specified in the relevant Final Terms of the Securities, the legal effects of the registration of the Securities with the Central Securities Depository will be governed by, and construed in accordance with, Italian law. The Guarantee shall exclusively be governed by the laws of Germany.

(2) If the Registry Type of the Securites is stipulated to be German Global Certificates pursuant to Section 2 above, the following sub-paragraphs shall apply:

- (a) The Securities will be evidenced by a global certificate (*Sammelurkunde*) in accordance with § 9 a of the German Securities Custody Act (*Depotgesetz*) (the "**Global Certificate**"). The Global Certificate will be deposited with Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Germany (the "**Central Securities Depository**") and will be kept in custody by the Central Securities Depository until all obligations of the Issuer under the Securities have been fulfilled. No definitive securities will be issued. Bearers are entitled to co-ownership interests, economical ownership rights or comparable rights in the Global Certificates, which are transferable in accordance with the rules of the Central Securities Depository and the laws of Germany.
- (b) "**Clearing System**" is each of Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Germany and SIX SIS AG, Brandschenkestrasse 47, 8002 Zurich, Switzerland.
- (c) In the clearing and settlement systems (*Effektengiroverkehr*), the *Securities* are transferable in units of one (1) Security or an integer multiple thereof.
- (d) "**Security Holder**" means any holder of a co-ownership interest or right, an economic ownership right or a comparable right in the Global Certificate.

(3) If the Registry Type of the Securites is stipulated to be Italian Uncertificated Certificates pursuant to Section 2 above, the following sub-paragraphs shall apply:

- (a) The Securities will be issued in uncertificated and dematerialised book-entry form pursuant to the "**Italian Financial Services Act**" (*Testo Unico della Finanza*) and the relevant implementing regulations, and are registered in the books of Monte Titoli S.p.A. with registered office in Piazza degli Affari, 6, 20123 Milan, Italy (the "**Central Securities Depository**") in accordance with the Legislative Decree No 213, dated 24 June 1998, the Legislative Decree No. 58, dated 24 February 1998 and the Rules governing central depositories, settlement services, guarantee systems and related management companies, issued by Bank of Italy and the Italian securities regulator (*Commissione Nazionale per le Società e la Borsa*, "**CONSOB**") on 22 February 2008. No physical document of title will be issued to represent the Security.
- (b) "**Clearing System**" is Monte Titoli S.p.A., Piazza degli Affari 6, 20123 Milan, Italy.
- (c) The transfer of the Securities operates by way of registration on the relevant accounts opened with the Clearing System by any intermediary adhering, directly or indirectly, to the Clearing System (the "**Security Account Holders**"). As a consequence, the subject who from time to time is the owner of the account held with a Security Account Holder will be considered as the legitimate owner of the Securities (the "**Security Holder**") and will be authorised to exercise all rights related to them.

Section 9 Calculation Agent, Paying Agents

(1) "**Calculation Agent**" shall be Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland. The *Issuer* shall be entitled at any time to replace the Calculation Agent with another bank, to appoint one or more additional Calculation Agent(s) and/or to revoke their appointment. The Calculation Agent shall act solely to assist the Issuer in the performance of its duties and shall have no obligations of any kind to the Security Holders. The Calculation Agent shall be exempt from the restrictions contained in section 181 BGB and any restrictions of a similar nature under the applicable law of other countries (if permitted). Notice shall be given of all of the measures referred to in sentence 2 pursuant to section 12.

(2) "**Principal Paying Agent**" shall be Bank Vontobel AG, Zurich, Switzerland and "**German Paying Agent**" shall be Bank Vontobel Europe AG, Alter Hof 5, 80331 Munich, Germany and "**Italian Paying Agent**" shall be BNP PARIBAS Securities Services, Milan Branch, Via Ansperto no. 5, 20123 Milan, Italy (the Principal Paying Agent, the German Paying Agent and the Italian Paying Agent together, the "**Paying Agents**"). The Issuer shall be entitled at any time to replace any of the Paying Agents, to appoint one or more additional Paying Agents and/or to revoke their appointment. A Paying Agent shall act solely to assist the Issuer in the performance of its duties and shall have no obligations of any kind to the Security Holder. The Paying Agent shall be exempt from the restrictions contained in section 181 BGB and any restrictions of a similar nature under the applicable law of other countries (if permitted). Notice shall be given of all of the measures referred to in sentence 2 pursuant to section 12.

Section 10 Settlement

(1) The Issuer shall provide the due payments for all Securities issued by it on the Maturity Date by way of making available the due payments to the Central Securities Depository for onward transfer to the Security Holders. Thus, the Issuer will be discharged of all of its performance obligations.

(2) The due payments shall be calculated by the Calculation Agent and are binding for the Security Holders, unless there is an obvious error.

(3) The figures resulting from the calculation of the cash amounts shall be rounded up or down to two decimal places.

(4) A potential conversion of amounts payable from the Currency of the Underlying into the Settlement Currency shall be made pursuant to the Currency Conversion.

(5) If a due payment is required to be made in accordance with the Terms and Conditions on a day that is not a Business Day, the payment may be postponed until the next following Business Day. The Security Holder shall not be entitled to demand interest or other compensation as a result of such a postponement.

(6) All taxes, national and international transaction taxes, fees or other charges that may be incurred in connection with the due payments shall be borne by the Security Holder. The Issuer and/or the Paying Agent shall be entitled to deduct any taxes, fees or charges payable by the Security Holder from the due payments.

(7) Settlement of the Securities shall be subject to all laws, regulations, administrative requirements and procedures applicable on the respective Exercise Date, Expiry Date, Valuation Date, Termination Date or Maturity Date. The Issuer shall not be responsible for the eventuality that, as a result of these requirements and procedures, it is not in a position to meet its obligations in accordance with the preceding paragraphs despite making all reasonable efforts to do so, nor for actions or omissions by settlement agents arising from or in connection with the performance of the obligations arising from these Securities.

(8) Neither the Issuer, the Calculation Agent nor the Paying Agent(s) shall be obliged to check the entitlement of the Security Holders.

Section 11 Replacement of the Issuer

(1) The Issuer shall be entitled to substitute another obligor in respect of the Securities (the "**New Issuer**") for itself at any time without the consent of the Security Holders provided that:

- (a) the New Issuer assumes all obligations of the Issuer arising from or in connection with the Securities pursuant to an agreement with the Issuer,
 - (b) the Issuer has provided an unconditional and irrevocable guarantee in favour of the Security Holders of the performance of all the obligations arising from or in connection with the Securities to be assumed by the New Issuer and
 - (c) the New Issuer has received all necessary approvals from the authorities of the country in which it has its registered office.
- (2) In the event of such replacement, all references to the Issuer contained in the Terms and Conditions shall be deemed to refer henceforth to the New Issuer.
- (3) The replacement shall be notified without delay pursuant to section 12.

Section 12 Notices

- (1) All notices relating to the Securities shall be published on the website of the Issuer at <https://certificates.vontobel.com> (on the relevant product page for the respective Security accessible by entry of the respective ISIN on the page <https://certificates.vontobel.com> or generally under <https://certificates.vontobel.com> under the section <<Notices>>) or on any other website which the Issuer will announce with at least six (6) weeks lead time in accordance with this section 12. Any such notice will be deemed to have been effected on the date of first publication of such notice.
- (2) The Issuer reserves the right, in addition to the publication of a notice pursuant to paragraph (1), to deliver a notice to the relevant Central Securities Depository for communication by the Central Securities Depository to the Security Holder. Even if the notice is communicated by the relevant Central Securities Depository the first publication pursuant to sentence 2 of paragraph (1) remains decisive for the time of effectiveness of the notice.
- (3) Notices shall additionally be published to the extent and as required by statute or by stock exchange regulations.
- (4) Unless required by statute or by stock exchange regulations or unless expressly so provided in these Terms and Conditions notices shall be given for information purposes only and do not represent a requirement for legal effectiveness.

Section 13 Increase of Issue, Repurchase of Securities

- (1) The Issuer shall be entitled at any time to issue additional Securities with the same features in such a way that they are consolidated with the Securities, form a single issue with them and increase their number. In the case of such an increase, the term "Securities" shall also refer to the additional Securities issued.
- (2) The companies of the Vontobel Group (these include all consolidated subsidiaries of Vontobel Holding AG, Zurich) shall be entitled at any time during the Term of the Securities to buy or sell the latter in off-market or, where applicable, on-market transactions. These companies are under no obligation to inform the Security Holders of such purchases or sales. Repurchased Securities may be cancelled, held, resold or otherwise disposed of.

Section 14 Presentation Period and Statute of Limitations

If the Registry Type is stipulated to be German Global Certificates pursuant to section 8 (2) above the following shall apply:

The presentation period for the Securities (pursuant to section 801 (1) sentence 1 BGB) shall be shortened to ten years, beginning with the date on which the relevant obligation of the Issuer arising from the Securities first becomes due. Claims arising from Securities presented during this presentation period shall lapse within two years beginning with the expiry of the presentation period.

If the Registry Type is specified to be Italian Uncertificated Certificates pursuant to section 8 (2) above the following shall apply:

The presentation period for claims of a Security Holders against the Issuer for the payment of principal corresponds to ten (10) years from the due date for such payment. The presentation period for claims of a Security Holder against the Issuer for the payment of interest corresponds to five (5) years from the due date for such payment.

Section 15 Miscellaneous Provisions

(1) The place of performance shall be Frankfurt am Main.

(2) The place of jurisdiction for all legal disputes arising from the matters dealt with in these Terms and Conditions for merchants (*Kaufleute*), legal persons subject to public law, public-sector special corporations and persons without a general place of jurisdiction in Germany shall be, with the exception of the guarantee (section 8), to the extent legally permitted, Frankfurt am Main.

(3) To the extent that the Issuer or the Calculation Agent make or do not make adjustments in accordance with these Terms and Conditions and take or do not take other measures, they are liable only if they fail to meet the duty of care of a prudent businessman or in the event of gross negligence.

(4) The *Issuer* shall be entitled to amend or to correct (i) obvious clerical or computational errors or other manifest mistakes and (ii) contradictory or incomplete provisions in these Terms and Conditions without the consent of the Security Holder. In this context, only such corrections or amendments are permitted in the cases specified under (ii) that, with due consideration for the interests of the Issuer, are not disadvantageous to the Security Holder i.e. that do not have a material adverse effect on the Security Holder's financial position. Amendments or corrections to these Terms and Conditions shall be notified without delay in accordance with section 12.

(5) The distribution of the Base Prospectus and of the Final Terms including the Terms and Conditions and the offering or purchase of the Securities may be subject to legal restrictions in certain countries. The Securities may be offered or purchased in a given country only if the applicable national requirements are observed.

(6) The English version of these Terms and Conditions shall be binding. Any translation is for convenience only.

Section 16 Severability

If a provision included in these Terms and Conditions is or becomes wholly or partly invalid, incomplete or impracticable, this shall not affect the validity of the remaining provisions. A provision corresponding to the meaning and purpose of these Terms and Conditions and to the interests of the parties shall replace the invalid, incomplete or impracticable provision and fill in the respective gaps in these Terms and Conditions.

Annex – Form of Renouncement Notice

FORM OF RENOUNCEMENT NOTICE

(to be completed by the Security Holders)

To: *[insert contact details of the Calculation Agent]*

e-mail: *[insert Calculation Agent e-mail]*

Attn.:

Phone:

and

To: *[insert contact details of the Paying Agent]*

Attn.:

Phone:

e-mail:

and

To: *[insert contact details of the relevant Clearing System]*

Attn.:

Phone:

e-mail:

*[insert titel of Securities], [series no.] and [ISIN]
(the "Securities")*

1. Details of Holder(s) of the Securities

Name:

Address:

Facsimile:

Telephone:

2. Waiver of Automatic Exercise

I/We, being the holder of the Securities [forming part of the above Series of Securities], hereby irrevocably waive the automatic exercise in connection with the relevant Securitie(s) in accordance with the Terms and Conditions thereof.

I/We understand that if this Renouncement Notice is not completed or submitted in a substantially similar form and delivered as provided in the Terms and Conditions thereof or is determined incomplete or not in proper form (in determination of the Paying Agent and the Calculation Agent]), it will be treated as null and void.

3. Number of Securities

The number of the Securities, equal at least to the Minimum Exercise Number and multiples thereof, in respect of which automatic exercise is being renounced by the Holder is as follows:

4. Number of the Account of the Holder of Securities

The number of the account of the holder of the Securities with the intermediary adhering, directly or indirectly, to the Clearing System [or any other relevant Clearing System where the Securities subject of the waiver are held].

If this Renouncement Notice is subsequently corrected to the satisfaction of the Paying Agent, it will be deemed to be a new Renouncement Notice submitted at the time such correction was delivered to the the relevant Clearing System with a copy thereof to the Paying Agent and to the Calculation Agent.

Place and Dated

Signature of the Holder of the Securitie(s)

Name of the beneficial owner of the Securitie(s)

IX. DESCRIPTION OF THE FACTOR INDICES

The index features identified by means of square brackets [] as an option in the following index descriptions for the Vontobel Leveraged Indices (the "**Factor Indices**") will not be specified by the Index Calculation Agent until shortly prior to the start of the offer of the Securities (Constant Leverage Certificates) and will be added accordingly by the Issuer in the Final Terms. The options available for a Reference Instrument in each case are exclusively the index features indicated within the square brackets or the index features included in the respective list of permitted Reference Instruments (the "**Reference Instrument List**") referred to. If necessary, the Reference Instrument List may be extended by way of a supplement pursuant to § 16 WpPG.

The Issuer will publish the index description with the options selected in each case in the respective Final Terms.

1. Factor Indices linked to shares, securities representing shares and other dividend-bearing securities

1.1 Index description

[

Index name: [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] X [Long] [Short] Index linked to [insert name of the Reference Instrument in accordance with the Reference Instrument List in section IX.1.2] (the "**Factor Index**")

Reference Instrument: [insert name of the Reference Instrument in accordance with the Reference Instrument List in section IX.1.2]

Index Calculation Agent: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland

Information Page: <https://indices.vontobel.com> [and Reuters page [screen page]] [and [insert other information page, if any: •]]

The composition and calculation of the *Factor Index* specified above is described in the following. The *Index Calculation Agent* will make an index guide available on the *Information Page* for each *Factor Index*, containing this description together with the stipulations in the Final Terms. The index guide constitutes the basis for calculating and publishing the *Factor Index*.

A) Index description

[for Long Factor Indices: The *Factor Index* reflects price movements in the *Reference Instrument* with a leverage factor of [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]. An increase in the price of the *Reference Instrument* since the most recent calculation of an *Index Closing Value* results in a positive change in the *Factor Index* as compared to the previous price of the *Factor Index* and vice-versa. The *Factor Index* therefore reflects a "long" strategy.

The *Factor Index* consists of a leverage component and a financing component.

Leverage component

The leverage component tracks an investment in the *Reference Instrument*, whereby movements in the price of the *Reference Instrument* are multiplied by the *Leverage (Factor)*. This leverage effect

occurs with either positive or negative movements in the price of the *Reference Instrument*, having a disproportionate effect on the value of the *Factor Index*.

For example (leaving aside the financing component):

1. An increase in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in an increase in the *Factor Index* by $[2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] \times 2\%$;
2. a decrease in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in a decrease in the *Factor Index* by $[2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] \times 2\%$.

Financing component

The financing component tracks the capital costs that would be incurred to finance the corresponding investment in the *Reference Instrument*. Additionally, a fee charged by the *Index Calculation Agent* for the calculation and administration of the *Factor Index* is added (*Index Fee*).

The financing component therefore reduces the value of the *Factor Index*.]

[for Short Factor Indices: The *Factor Index* reflects price movements in the *Reference Instrument* with a leverage factor of $[2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]$. A decrease in the price of the *Reference Instrument* since the most recent calculation of an *Index Closing Value* results in a positive change in the *Factor Index* as compared to the previous price of the *Factor Index* and vice versa. The *Factor Index* therefore replicates a "short" strategy.

The *Factor Index* consists of a leverage component and a financing component.

Leverage component

The leverage component inversely tracks an investment in the *Reference Instrument*, whereby movements in the price of the *Reference Instrument* are multiplied by the *Leverage* (factor). This leverage effect occurs with either positive or negative movements in the *Reference Instrument*, having a disproportionate effect on the value of the *Factor Index*.

For example (leaving aside the financing component):

1. An increase in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) of 2% results in a decrease in the *Factor Index* by $[2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] \times 2\%$;
2. A decrease in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) of 2% results in an increase in the *Factor Index* by $[2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] \times 2\%$.

Financing component

The financing component emulates the income and expenses that would arise from acquiring the *Reference Instrument*, selling it and investing the proceeds at the risk-free rate. Additionally, a fee charged by the *Index Calculation Agent* for the calculation and administration of the *Factor Index* is added (*Index Fee* which reduces the value of the index).

If the acquisition costs and the *Index Fee* exceed the interest income based on the relevant *Interest Rate* on a particular day, the value of the *Factor Index* is reduced on such day.]

B) Index definitions

The definitions below shall apply for the purposes of this index description.

"Adjustment Date" means [the first] [the last] [each] *Index Calculation Day* of [each] [a] calendar month.

"Extraordinary Adjustment Event" is any of the following events as they relate to the *Reference Instrument*:

- (a) capital increase by way of the issue of new shares in return for contributions in cash or in kind with the grant of a subscription right, capital increase from retained earnings, issue of securities with option or conversion rights into shares, distribution of special dividends, share split, subdivision, consolidation or reclassification of the shares;
- (b) spin-off of a division of the company in such a manner that a new independent company is created or the division is absorbed by a third company;
- (c) probable or definitive cessation of stock exchange trading in the shares as a result of a merger by absorption or new company formation or takeover of the company of the underlying by another company;
- (d) any other event which the *Index Calculation Agent* may at its reasonable discretion deem to have a comparable or similar impact on the calculation of the *Factor Index* in the event no adjustment were to be made;

In case of securities representing shares (ADRs/GDRs) as the Reference Instrument, the following provisions (e) to (h) shall additionally apply:

- (e) modification of the terms and conditions of the securities representing shares by their issuers;
- (f) cessation of the stock exchange quotation of the securities representing shares or of the shares underlying them;
- (g) insolvency of the issuer of the securities representing shares;
- (h) end of the term of the securities representing shares as a result of termination by the issuer of the securities representing shares.

In case of securities representing shares (ADRs/GDRs) and other dividend-bearing securities (e.g. profit participation rights, participation certificates) as the *Reference Instrument* the provisions specified under (a) to (c) shall apply *mutatis mutandis* with respect to the *Reference Instrument* and the issuing company.

"Valuation Price" of the *Reference Instrument* for an *Index Calculation Day* is – subject to an *Extraordinary Adjustment* to the calculation of the index in accordance with section D) – the [opening] [closing] price of the *Reference Instrument*, as determined and published for that day by the *Reference Exchange*. If an *Index Calculation Day* falls on a day which is not a Trading Day, the *Valuation Price* of the immediately preceding *Index Calculation Day* shall continue to apply. If no *Valuation Price* for the *Reference Instrument* is determined or published on a Trading Day, the *Index Calculation Agent* shall determine the *Valuation Price* of the *Reference Instrument* for that day on the basis of the most recent prices set for the *Reference Instrument* at its due discretion.

"Dividend" shall mean the dividend of the company, exclusive of which the *Reference Instrument* is traded on the *Reference Exchange* on the *Ex-dividend Day*.

"Dividend Tax Factor" shall be [1.0] [0.95] [0.9] [0.85] [0.8] [0.75] [0.7] [0.65] [0.6] [0.5] on the *Index Start Date*. The *Index Calculation Agent* may change the *Dividend Tax Factor* at its due discretion on any *Index Calculation Day* with prospective effect if the relevant tax law applicable to the *Index Calculation Agent* changes, resulting in a change in the amount of the – after tax – *Dividend* virtually accruing to it.

"Ex-Dividend Date" means the *Trading Day* on which the *Reference Instrument* trades "ex-dividend" on the *Reference Exchange*.

"Financing Spread"

[for *Long Factor Indices*: represents (in the form of a premium over the relevant *Interest Rate*) the financing costs which may be incurred if the long strategy tracked by the *Factor Index* is financed with debt.]

[for *Short Factor Indices*: reflects the current annual costs for acquiring the *Reference Instrument* as at the *Index Calculation Day* via a securities lending and repurchase ("repo") transaction.]

The *Financing Spread* on the *Index Start Date* corresponds to the *Initial Financing Spread*. The *Index Calculation Agent* then adjusts the **"Current Financing Spread"** in its due discretion on each *Adjustment Date* to reflect current market conditions and publishes it in accordance with section E) of this index description. The adjusted *Financing Spread* shall apply immediately as from the relevant *Adjustment Date*.

"Initial Financing Spread" is [0.1] [0.2] [0.25] [0.3] [0.4] [0.5] [0.6] [0.7] [0.75] [0.8] [0.9] [1.0] [1.1] [1.2] [1.25] [1.3] [1.4] [1.5] [1.75] [2.0] [2.25] [2.5] [2.75] [3.0] [3.25] [3.5] [3.75] [4.0] [4.25] [4.5] [4.75] [5.0] [5.5] [6.0] [6.5] [7.0] [7.5] [8.0] [8.5] [9.0] [9.5] [10] [11] [12] [13] [14] [15]% per annum.

"Trading Day" means every day on which the *Reference Instrument* is traded on the *Reference Exchange*.

"Leverage" is [for *Short Factor Indices*: -][2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]. It describes the impact that a change in the price of the *Reference Instrument* has on the relevant *Factor Index*. [for *Short Indices*: The negative sign for the *Leverage* indicates that the *Short Factor Index* participates inversely in the performance of the *Reference Instrument*.]

"Index Calculation Agent" means Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland

"Index Calculation Day" means every day from Monday to Friday.

"Index Fee" is [0.1] [0.2] [0.3] [0.4] [0.5] [0.6] [0.7] [0.8] [0.9] [1.0] [1.1] [1.2] [1.3] [1.4] [1.5] [1.75] [2.0] [2.25] [2.5] [2.75] [3.0] [3.25] [3.5] [3.75] [4.0] [4.25] [4.5] [4.75] [5.0]% per annum. The *Index Fee* is charged each calendar day, beginning as of the *Index Start Date*. It is calculated on the basis of a 360-day year and the most recently calculated *Index Closing Value*.

"Index Closing Value" is calculated for each *Index Calculation Day* by the *Index Calculation Agent* in accordance with section C) 1) of this index description on the basis of the *Valuation Price* of the *Reference Instrument* for this *Index Calculation Day* and published in accordance with section E) of this index description.

"Index Start Date" means [1] [2] [3] [4] [5] [6] [7] [8] [9] [10] [11] [12] [13] [14] [15] [16] [17] [18] [19] [20] [21] [22] [23] [24] [25] [26] [27] [28] [29] [30] [31] [January] [February] [March] [April] [May] [June] [July] [August] [September] [October] [November] [December] [2014] [2015] [2016] [2017] [2018] [2019] [2020].

"**Index Start Value**" is [10] [100] [1,000] [10,000] index points and represents the Index Closing Value on Index Calculation Day T=0 for the purposes of calculating the index in accordance with C).

"**Index Currency**" means [EUR][USD][CHF][JPY][HKD][SGD][GBP][NOK][SEK][AUD][DKK].

"**Information Page**" means <https://indices.vontobel.com> [and Reuters page [screen page]] [and [•]].

"**Reference Instrument Price**" corresponds at any time during the trading period on the *Reference Exchange* to [the mean between the bid and offer prices] [the price] of the *Reference Instrument* on the *Reference Exchange*, as determined by the *Index Calculation Agent*.

"**Reference Exchange**" means [insert the relevant trading platform for the *Reference Instrument* in accordance with the *Reference Instrument List* in section IX.1.2].

"**Reference Instrument**" means [insert name in accordance with the *Reference Instrument List* in section IX.1.2].

Type:	[insert type in accordance with the <i>Reference Instrument List</i> in section IX.1.2]
Currency:	[insert currency in accordance with the <i>Reference Instrument List</i> in section IX.1.2]
Company:	[insert issuer in accordance with the <i>Reference Instrument List</i> in section IX.1.2]
ISIN:	[insert ISIN in accordance with the <i>Reference Instrument List</i> in section IX.1.2]
Bloomberg symbol:	[insert Bloomberg symbol in accordance with the <i>Reference Instrument List</i> in section IX.1.2]

"**Barrier**" is [2][3][4][5][6][7][8][9][10][12][14][15][17][19][20][21][22][23][24][25][26][27][28][29][30][31][33][35][40][42][45][47][48]%. It indicates the maximum permitted [for Long Factor Indices: negative] [for Short Factor Indices: positive] change in the price of the *Reference Instrument* compared to its most recent *Valuation Price* before an *Intraday Index Adjustment* takes place.

"**Derivatives Exchange**" means [insert *Derivatives Exchange* in accordance with the *Reference Instrument List* in section IX.1.2].

"**Interest Rate**" means

[EONIA.

EONIA (Euro Over Night Index Average) is a weighted average interest rate for overnight interbank money calculated act/360 by the European Central Bank since 4 January 1999 on the basis of effective turnover.]

[EUR 1M-EURIBOR.

EURIBOR means Euro Interbank Offered Rate. The EURIBOR is a reference interest rate for the term deposits in EUR in the interbank market. It is sponsored by the associations European Money Markets Institute (EMMI) and Euribor ACI. A representative selection of 24 international banks provide, on a daily basis, the interbank interest rates for term deposits in EUR for terms of 1 week, 2 weeks, 1 month, 2, 3, 6, 9 and 12 months (EUR 1M-EURIBOR signifies a 1-month term).]

[[EUR] [CHF] [USD] [JPY] [GBP] [1W-] [1M-] LIBOR [O/N (overnight)].

LIBOR stands for London InterBank Offered Rate. LIBOR is an average interest rate based on information submitted by the contributing banks. The panel banks indicate the interest rates at which they are able to refinance their own interbank activities in the relevant currency for the relevant term on an unsecured basis. To calculate the reference interest rate, the highest and lowest quartiles of these interest rates are eliminated, and the remaining interest rates are averaged. LIBOR is calculated for 7 different terms and 5 different currencies. The LIBOR interest rates (ICE Libor) are administered by ICE Benchmark Administration Limited (IBA) and determined each business day at 11 a.m. (London time). [1W-] [1M-] LIBOR [O/N (overnight)] stands for terms of 1 [week] [month] [day].]

[[1W-] [1M-] HIBOR [O/N (overnight)]].

HIBOR stands for Hong Kong Interbank Offered Rate and is set each business day. HIBOR is a Hong Kong dollar interbank interest rate set by the Hong Kong Bankers' Association, based on estimates by 20 banks (panel banks) appointed by the Hong Kong Bankers' Association. The panel banks estimate the interest rates at which another major bank is able to refinance its interbank activities in Hong Kong dollars for the relevant term. [1W-] [1M-] HIBOR [O/N (overnight)] stands for terms of 1 [week] [month] [day].]

[[1W-] [1M-] SGD SIBOR [O/N (overnight)]].

SGD SIBOR stands for Singapore Interbank Offered Rate and is set each business day. It is a Singapore dollar interbank interest rate set by the ABS (Association of Banks in Singapore), based on information provided by participating banks (panel banks). The panel banks indicate the interest rates at which they are able to refinance their own interbank activities in Singapore dollars for the relevant term. [1W-] [1M-] SGD SIBOR [O/N (overnight)] stands for terms of 1 [week] [month] [day].]

[STIBOR T/N (Tomorrow/Next)].

STIBOR T/N stands for Stockholm Interbank Offered Rate Overnight and is set each business day in Sweden at 11:00 a.m. (CET). It is a Swedish kronor interbank interest rate at which banks selected by the Svenska Bankföreningen (Swedish Bankers' Association) are prepared to lend Swedish kronor to each other for a term of one day.]

[NOWA.

The NOWA rate (Norwegian Overnight Weighted Average) is set each business day in Norway. It is an overnight interest rate for interbank business in Norwegian kroner set by Norges Bank (the Norwegian Central Bank) as a weighted average of all overnight transactions reported by the NOWA panel banks. It is the rate at which the banks are prepared to lend Norwegian kroner to each other for a term of one day.]

[DKK T/N.

The DKK T/N (Tomorrow/ Next) interest rate is an uncollateralised day-to-day interest rate for money-market lending calculated and published by Danmarks Nationalbank. The T/N market comprises lending starting on the first banking day after the transaction date and expiring on the second banking day after the transaction date. Calculation of the T/N interest rate is based on daily reports from the largest banks in the Danish money market. It is calculated as a turnover-weighted average of interest rates on actual lending. The Danish Bankers Association has the overall responsibility of the T/N interest rate.]

If the *Interest Rate* is neither set nor published on an *Index Calculation Day*, the *Interest Rate* applied on the immediately preceding *Index Calculation Day* is used to calculate the Index in accordance with section C).

If the *Interest Rate* has neither been set nor published for ten consecutive *Index Calculation Days*, the *Index Calculation Agent* has the right and obligation to stipulate in its reasonable discretion an alternative relevant *Interest Rate* which has functions comparable to the previous *Interest Rate*.

C) Index calculation

The *Factor Index* shall be calculated for the first time on the *Index Start Date*. The initial level of the Index on the *Index Start Date* corresponds to the *Index Start Value*. The respective current index level is calculated by the *Index Calculation Agent* on a continuous basis during the trading period of the *Reference Instrument* on the *Reference Exchange* on each *Index Calculation Day*, rounded to two decimal places and published in accordance with section E).

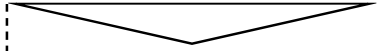
One index point corresponds to one unit of the *Index Currency*.

C) 1) Index formula

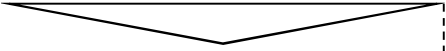
The *Factor Index* is calculated for each time *t* during an *Index Calculation Day T* in accordance with the following formula:

[for Long Factor Indices:

$$IDX_t = IDX_{T-1} \times \left\{ 1 + L \times \left(\frac{R_t + \text{divf} \times \text{div}}{R_{T-1}} - 1 \right) - [(L-1) \times (IR_{T-1} + FS_T) + IG] \times \frac{d}{360} \right\}$$



leverage component



financing component

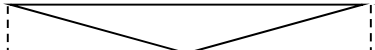
where:

- T = current Index Calculation Day
- IDX_t = Index Value at time *t* on Index Calculation Day T
- IDX_{T-1} = Index Closing Value on Index Calculation Day T-1 which immediately precedes the current Index Calculation Day T
- L = Leverage (Factor): [insert Leverage in accordance with B)]
- R_t = Reference Instrument Price at time *t*
- R_{T-1} = Valuation Price on Index Calculation Day T-1
- divf = Dividend Tax Factor
- div = Dividend on Index Calculation Day T. This amount is 0, except on the Ex-Dividend Date
- IR_{T-1} = Interest Rate on Index Calculation Day T-1
- FS_T = Financing Spread on Index Calculation Day T
- IG = Index Fee
- d = Number of calendar days between Index Calculation Days T-1 and T


]

[for Short Factor Indices:

$$IDX_t = IDX_{T-1} \times \left\{ 1 + L \times \left(\frac{R_t + \text{divf} \times \text{div}}{R_{T-1}} - 1 \right) + [(1-L) \times IR_{T-1} + L \times FS_T - IG] \times \frac{d}{360} \right\}$$



leverage component



financing component

where:

- T = current Index Calculation Day

IDX_t	=	Index Value at time t on Index Calculation Day T
IDX_{T-1}	=	Index Closing Value on Index Calculation Day T-1 which immediately precedes the current Index Calculation Day T
L	=	Leverage (Factor): <i>[insert Leverage in accordance with B)]</i>
R_t	=	Reference Instrument Price at time t
R_{T-1}	=	Valuation Price on Index Calculation Day T-1
divf	=	Dividend Tax Factor
div	=	Dividend on Index Calculation Day T. This amount is 0, except on the Ex-Dividend Date
IR_{T-1}	=	Interest Rate on Index Calculation Day T-1
FS_T	=	Financing Spread on Index Calculation Day T
IG	=	Index Fee
d	=	Number of calendar days between Index Calculation Days T-1 and T

]

C) 2) Intraday Index Adjustment

[for Long Factor Indices:

If at time s on Index Calculation Day T the Reference Instrument Price [(on an Ex-Dividend Date, plus Dividend multiplied by the Dividend Tax Factor: $R_s + \text{divf} \times \text{div}$)] falls below the most recent Valuation Price of the Reference Instrument by more than *[insert Barrier in accordance with B)]%* (Barrier), an "**Intraday Index Adjustment**" takes place, simulating a new day:

$$\begin{aligned}
 s &= T, \text{ i.e. } IDX_{T-1}(\text{new}) = IDX_s \\
 R_{T-1}(\text{new}) &= R_{T-1}(\text{old}) \times [\text{insert difference between 1 and the Barrier in accordance with B)] [-\text{divf} \times \text{div}] \\
 d &= 0
 \end{aligned}$$

A new Valuation Price valid after time s ($R_{T-1}(\text{new})$) is calculated by multiplying the previous Valuation Price ($R_{T-1}(\text{old})$) by *[insert difference between 1 and the Barrier in accordance with B)]*. [If the Index Calculation Day T is an Ex-Dividend Date, the net dividend shall be deducted.]

If the Index Calculation Day T is an Ex-Dividend Date, the newly simulated Index Calculation Day shall no longer be treated as an Ex-Dividend Date, i.e. Dividend and Dividend Tax Factor shall not be considered in the index calculation in section C) 1) on that simulated day.

The *financing component* remains unchanged. No additional interest or costs are incurred for the newly simulated day.]

[for Short Factor Indices:

If at time s on Index Calculation Day T the Reference Instrument Price [(on an Ex-Dividend Date, plus Dividend multiplied by the Dividend Tax Factor: $R_s + \text{divf} \times \text{div}$)] exceeds the most recent Valuation Price of the Reference Instrument by more than *[insert Barrier in accordance with B)]%* (Barrier), an "**Intraday Index Adjustment**" takes place, simulating a new day:

$$\begin{aligned}
 s &= T, \text{ i.e. } IDX_{T-1}(\text{new}) = IDX_s \\
 R_{T-1}(\text{new}) &= R_{T-1}(\text{old}) \times [\text{insert total of 1 and the Barrier in accordance with B)] [-\text{divf} \times \text{div}] \\
 d &= 0
 \end{aligned}$$

A new Valuation Price valid after time s ($R_{T-1}(\text{new})$) is calculated by multiplying the previous Valuation Price ($R_{T-1}(\text{old})$) by *[insert total of 1 and the Barrier in accordance with B)]*. [If Index Calculation Day T is an Ex-Dividend Date, the net dividend shall be deducted.]

If the *Index Calculation Day T* is an *Ex-dividend Day* the newly simulated *Index Calculation Day* shall no longer be treated as *Ex-Dividend Date*, i.e. *Dividend* and *Dividend Tax Factor* shall not be considered in the index calculation in section C) 1) on such simulated *Index Calculation Day*.

The *financing component* remains unchanged. No additional costs are incurred for the newly simulated day.]

D) Extraordinary adjustment of the index calculation

In the event of an *Extraordinary Adjustment Event* occurring in relation to the *Reference Instrument*, the *Index Calculation Agent* will adjust the index calculation on the *Reference Date* (as defined below). The *Index Calculation Agent* will – to the extent possible – endeavor to calculate the leverage component as if no *Extraordinary Adjustment Event* had occurred.

The *Index Calculation Agent* will generally modify the index calculation by correcting at its due discretion the relevant *Valuation Price* for the *Reference Instrument* on *Index Calculation Day T-1* on the *Reference Date*, in order to factor into the index calculation the adjustments made on the *Derivatives Exchange* for futures and options linked to the *Reference Instrument* traded there.

The *Index Calculation Agent* may adapt the Index Calculation in some other manner if it deems this necessary in its due discretion in order to account for differences between this *Factor Index* and the futures and options traded on the *Derivatives Exchange*. Such adjustments may in particular relate to the *Reference Instrument* being replaced by a basket of shares, securities representing shares or other dividend-bearing securities or in the event of a merger by an appropriate number of shares, securities representing shares or other dividend-bearing securities issued by the absorbing or newly formed company and where necessary stipulating a different Reference Exchange, Derivatives Exchange and Reference Instrument Price.

The list of *Extraordinary Adjustment Events* listed in section B) is not exhaustive. A deciding factor is whether the *Derivatives Exchange* considers it expedient to adjust the contract size, an underlying or involving the relevant *Reference Exchange* which determines the price of the *Reference Instrument*. If neither futures nor options linked to the *Reference Instrument* are traded on the *Derivatives Exchange*, the adjustment shall be made in such a manner in which the *Derivatives Exchange* would do so if corresponding futures or options were traded there. If doubts arise in this event relating to the application of the modification rules of the *Derivatives Exchange*, the *Index Calculation Agent* shall decide such questions in its reasonable discretion. The rules and regulations of the *Derivatives Exchange* shall apply in addition to the provisions set out above.

In the event that the company issuing the *Reference Instrument* underlying the *Factor Index* is liquidated or if insolvency, winding-up or similar proceedings are instituted against the assets of the company or if the possibility that such proceedings will be initiated becomes known, the price of the *Reference Instrument* will continue to be factored into the index calculation for as long as the price of the *Reference Instrument* continues to be determined on the *Reference Exchange*. However, if pricing in such a case is temporarily or permanently suspended, the leverage component shall remain unchanged and the index level will be determined solely on the basis of the other components of the index formula.

"Reference Date" within the meaning of this index description means the first *Index Calculation Day* on which the relevant futures or options are traded on the *Derivatives Exchange* after taking the adjustment into account, or would be so traded if corresponding futures or options were traded on the *Derivatives Exchange*.

Adjustments relating to the *Factor Index* and all other measures taken under this section will be published by the *Index Calculation Agent* in accordance with section E).

E) Notices

All notices pertaining to the *Factor Index* will be published on the *Information Page*. Such notices shall be deemed to have been given on the date on which they are first published.

Notices are made for informational purposes only and do not represent a precondition for legal effectiveness.]

1.2 Reference Instrument List (shares, securities representing shares and other dividend-bearing securities)

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
A2A SpA	Registered Share	EUR	A2A SpA, Via Lamarmora, 230-25124, Brescia, Italy	IT0001233417	A2A IM Equity	Borsa Italiana	Borsa Italiana
Aareal Bank AG	Bearer share	EUR	Aareal Bank AG, Paulinenstrasse 15, WIESBADEN, 65189, Germany	DE0005408116	ARL GY Equity	XETRA	Eurex
ABB Ltd	Registered share	CHF	ABB Ltd, Affolternstrasse 44, Postfach 8131, CH-8050 Zürich	CH0012221716	ABBN VX Equity	SIX Swiss Exchange	Eurex
ABB Ltd	Registered share	SEK	ABB Ltd, Affolternstrasse 44, Postfach 8131, CH-8050 Zürich	CH0012221716	ABB SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
ACEA SpA	Registered Share	EUR	ACEA SpA, Piazzale Ostiense 2, 00154 Rome, Italy	IT0001207098	ACE IM Equity	Borsa Italiana	Borsa Italiana
Actelion Ltd.	Registered share	CHF	Actelion Ltd., Gewerbestrasse 16, CH-4123 Allschwil	CH0010532478	ATLN VX Equity	SIX Swiss Exchange	Eurex
Adecco SA	Registered share	CHF	Adecco SA, CH-1275 Chésereux	CH0012138605	ADEN VX Equity	SIX Swiss Exchange	Eurex
Adidas AG	Registered share	EUR	Adidas AG, Adi-Dassler-Strasse 1-2, D-91074 Herzogenaurach	DE000A1EWW0	ADS GY Equity	XETRA	Eurex
Airbus Group SE	Bearer share	EUR	Airbus Group SE, Beechavenue 130-132, NL-1119 PR Schiphol Rijk	NL0000235190	AIR FP Equity	Euronext Paris	Eurex
Aixtron SE	Bearer share	EUR	Aixtron SE, Kaiserstrasse 98, DE-52134 Herzogenrath	DE000A0WMPJ6	AIXA GY Equity	XETRA	Eurex
Akastor ASA	Registered share	NOK	Akastor ASA, Snaroyveien 20, Fornebu, 1364, Norway	N00010215684	AKA NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
Aker Solutions ASA	Registered share	NOK	Aker Solutions Holding ASA, Snaroyveien 36, 1364 Fornebu, PO Box 169, 1325 Lysaker, Norway	N00010716582	AKSO NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
Alcatel-Lucent	Bearer share	EUR	Alcatel-Lucent, 54 Rue la Boétie, F-75008 Paris	FR0000130007	ALU FP Equity	Euronext Paris	Eurex
Alcoa Inc.	Registered share	USD	Alcoa Corporate Center, 201 Isabella Street, Pittsburgh, PA 15212-5858, USA	US0138171014	AA UN Equity	NYSE	Chicago Board Options Exchange
Alfa Laval AB	Registered share	SEK	Alfa Laval AB, Rudeboksvaegen 1, Lund, 226 55, Sweden	SE0000695876	ALFA SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm

IX. Description of the Factor Indices

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
Alibaba Group Holding Ltd.	ADR	USD	Alibaba Group Holding Ltd., c/o Trident Trust Company (Cayman) Limited, Fourth Floor, One Capital Place, P.O. Box 847, George Town, Grand Cayman, Cayman Islands	US01609W1027	BABA UN Equity	NYSE	Chicago Board Options Exchange
Allianz SE	Registered share	EUR	Allianz SE, Königinstrasse 28, D-80802 München	DE0008404005	ALV GY Equity	XETRA	Eurex
Alphabet Inc. Reg.Shares C	Registered share	USD	Alphabet Inc., 1600 Amphitheatre Parkway, Mountain View, CA 94043, USA	US02079K1079	GOOG UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
Alstom SA	Bearer share	EUR	Alstom, 3, avenue André Malraux, F-92309 Levallois-Perret	FR0010220475	ALO FP Equity	Euronext Paris	Eurex
Amazon.com Inc.	Registered share	USD	Amazon.Com Inc., 1200 12 th Avenue South, Suite 1200, Seattle, WA 98144-2734	US0231351067	AMZN UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
Amer Sports Oyj	Registered share	EUR	Amer Sports Oyj, Makelankatu 91, PO Box 130, Helsinki, 00101, Finland	FI0009000285	AMEAS FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
American Express Company	Registered share	USD	American Express Company, 200 Vesey Street, New York, NY 10285-3106, USA	US0258161092	AXP UN Equity	NYSE	Chicago Board Options Exchange
Amgen Inc.	Registered share	USD	Amgen Inc., MS 38-5-A, One Amgen Center Drive, Thousand Oaks, CA, 91320-1799 USA	US0311621009	AMGN UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
Amplifon SpA	Registered Share	EUR	Amplifon SpA, Via G. Ripamonti, 133, Milan, 20141, Italy	IT0004056880	AMP IM Equity	Borsa Italiana	Borsa Italiana
Anima Holding SpA	Registered Share	EUR	Anima Holding SpA, Corso Giuseppe Garibaldi, 99, Milan, 20121, Italy	IT0004998065	ANIM IM Equity	Borsa Italiana	Borsa Italiana
Ansaldo STS SpA	Registered Share	EUR	Ansaldo STS SpA, Via Paolo Mantovani 3-5, Genova, 16151, Italy	IT0003977540	STS IM Equity	Borsa Italiana	Borsa Italiana
AP Moeller – Maersk A/S	Registered share	DKK	AP Moller – Maersk A/S, Esplanaden 50, 1098 Copenhagen K, Denmark	DK0010244425	MAERSKA DC Equity	Nasdaq OMX Copenhagen	Nasdaq OMX Stockholm
AP Moeller – Maersk A/S	Registered share	DKK	AP Moller – Maersk A/S, Esplanaden 50, 1098 Copenhagen K, Denmark	DK0010244508	MAERSKB DC Equity	Nasdaq OMX Copenhagen	Nasdaq OMX Stockholm
Apple Inc.	Registered share	USD	Apple Computer Inc., 1 Infinite Loop, Cupertino, CA 95014, USA	US0378331005	AAPL UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
ArcelorMittal	Registered share	EUR	ArcelorMittal NY, 19 Avenue de la Liberté, LU-2930 France	LU0323134006	MT NA Equity	Euronext Amsterdam	Eurex
Ascom Holding AG	Registered share	CHF	Ascom Holding AG, Belpstrasse 37, CH-3000 Bern 14	CH0011339204	ASCN SW Equity	SIX Swiss Exchange	Eurex
Assa Abloy AB	Registered share	SEK	Assa Abloy AB, Box 70340, Klarabergsviadukten 90, Stockholm, 107 23, Sweden	SE0007100581	ASSAB SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Assicurazioni Generali SpA	Registered share	EUR	Assicurazioni Generali SpA, Piazza Duca degli Abruzzi 2, 34132 Trieste, Italy	IT0000062072	G IM Equity	Borsa Italiana	Eurex
Assicurazioni Generali SpA	Registered Share	EUR	Assicurazioni Generali SpA, Piazza Duca degli Abruzzi 2, 34132 Trieste, Italy	IT0000062072	G IM Equity	Borsa Italiana	Borsa Italiana
AstraZeneca PLC	Registered share	SEK	AstraZeneca Plc., 15 Stanhope Gate, London, W1K 1LN, United Kingdom	GB0009895292	AZN SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Atlantia SpA	Registered Share	EUR	Atlantia SpA, Via Antonio Nibby, 20, Rome, 00161, Italy	IT0003506190	ATL IM Equity	Borsa Italiana	Borsa Italiana
Atlas Copco AB (A-shares)	Registered share	SEK	Atlas Copco AB, Sickla Industrivag 3, Stockholm, 10523, Sweden	SE0006886750	ATCOA SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Atlas Copco AB (B-shares)	Registered share	SEK	Atlas Copco AB, Sickla Industrivag 3, Stockholm, 10523, Sweden	SE0006886768	ATCOB SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Autogrill SpA	Registered Share	EUR	Autogrill SpA, Via Luigi Giulietti 9, Novara, 28100, Italy	IT0001137345	AGL IM Equity	Borsa Italiana	Borsa Italiana
AXA SA	Bearer share	EUR	AXA, 25, Avenue Matignon, F-75008 Paris	FR0000120628	CS FP Equity	Euronext Paris	Eurex
Azimut Holding SpA	Registered Share	EUR	Azimut Holding SpA, Via Cusani 4, Milan, 20121, Italy	IT0003261697	AZM IM Equity	Borsa Italiana	Borsa Italiana
Baidu Inc.	ADR	USD	Baidu Inc., Baidu Campus, No. 10 Shangdi 10 th Street, Beijing, 10085 China	US0567521085	BIDU UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
Bâloise Holding AG	Registered share	CHF	Bâloise-Holding AG, Aeschengraben 21, CH-4002 Basel	CH0012410517	BALN VX Equity	SIX Swiss Exchange	Eurex
Banca Generali SpA	Registered Share	EUR	Banca Generali SpA, Via Machiavelli 4, Trieste, 34132, Italy	IT0001031084	BGN IM Equity	Borsa Italiana	Borsa Italiana
Banca Ifis SpA	Registered Share	EUR	Banca Ifis SpA, Via Terraglio 63, I-30174 Mestre	IT0003188064	IF IM Equity	Borsa Italiana	Borsa Italiana

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
Banca Mediolanum SpA	Registered Share	EUR	Banca Mediolanum SpA, Palazzo Meucci, Via Francesco Sforza 15, Basiglio (Mi), 20080, Italy	IT0004776628	BMED IM Equity	Borsa Italiana	Borsa Italiana
Banca Monte dei Paschi di Siena SpA	Registered Share	EUR	Banca Monte dei Paschi di Siena SpA, Piazza Salimbeni, 3, Siena, 53100, Italy	IT0005092165	BMPS IM Equity	Borsa Italiana	Borsa Italiana
Banca Popolare dell'Emilia Romagna	Registered Share	EUR	Banca Popolare dell'Emilia Romagna, Via San Carlo, 8/20, Modena, 41100, Italy	IT0000066123	BPE IM Equity	Borsa Italiana	Borsa Italiana
Banca Popolare di Milano	Registered Share	EUR	Banca Popolare di Milano, Piazza F. Meda, 4, Milan, 20121, Italy	IT0000064482	PMI IM Equity	Borsa Italiana	Borsa Italiana
Banca Popolare di Sondrio	Registered Share	EUR	Banca Popolare di Sondrio, Piazza Garibaldi 16, Sondrio, 23100, Italy	IT0000784196	BPSO IM Equity	Borsa Italiana	Borsa Italiana
Banco Bilbao Vizcaya Argentaria SA	Bearer share	EUR	BBVA SA, Plaza de San Nicolas 4, 48005 Bilbao, Spain	ES0113211835	BBVA SQ Equity	Mercado Continuo Espanol	Eurex
Banco Popolare Societa Cooperativa	Registered Share	EUR	Banco Popolare Societa Cooperativa, Piazza Nogara 2, Verona, 37121, Italy	IT0005002883	BP IM Equity	Borsa Italiana	Borsa Italiana
Banco Santander SA	Bearer share	EUR	Banco Santander SA, Paseo de Pereda 9-12, 28660 Santander, Spain	ES0113900J37	SAN SQ Equity	Mercado Continuo Espanol	Eurex
Bank of America Corporation	Registered share	USD	Bank of America Corporation, 101 South Tryon Street, NC1-002-29-01, Charlotte, NC 28255, USA	US0605051046	BAC UN Equity	NYSE	Chicago Board Options Exchange
Barclays Plc	Registered share	GBP	Barclays Plc, 1 Churchill Place, London, E14 5HP, UK	GB0031348658	BARC LN Equity	London Stock Exchange	Eurex
Barrick Gold Corp.	Registered share	USD	Barrick Gold Corporation, RB Plaza, South Tower, S 2700, 200 Bay Street, PO Box 119, Toronto, ON M5J 2J3, Canada	CA0679011084	ABX UN Equity	NYSE	Chicago Board Options Exchange
Barry Callebaut AG	Registered share	CHF	Barry Callebaut AG, Pfingstweidstrasse 60 (Westpark), CH-8005 Zürich	CH0009002962	BARN SW Equity	SIX Swiss Exchange	Eurex
BASF SE	Registered share	EUR	BASF SE, Carl-Bosch-Strasse 38, D-67056 Ludwigshafen	DE000BASF111	BAS GY Equity	XETRA	Eurex
Basilea Pharmaceutica Ltd.	Registered share	CHF	Basilea Pharmaceutica AG, Grenzacherstrasse 487, CH-4058 Basel	CH0011432447	BSLN SW Equity	SIX Swiss Exchange	Eurex

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
Bayer AG	Registered share	EUR	Bayer AG, ABT UK-ZF/Stab K12, D-51368 Leverkusen	DE000BAY0017	BAYN GY Equity	XETRA	Eurex
Bayerische Motoren Werke AG	Bearer share	EUR	Bayerische Motoren Werke (BMW) AG, Petuelring 130, D-80788 München	DE0005190003	BMW GY Equity	XETRA	Eurex
Beiersdorf AG	Bearer share	EUR	Beiersdorf AG, Unnastrasse 48, DE-20245 Hamburg	DE0005200000	BEI GY Equity	XETRA	Eurex
Beni Stabili SpA	Registered Share	EUR	Beni Stabili SpA, Via Piemonte 38, Rome, 00187, Italy	IT0001389631	BNS IM Equity	Borsa Italiana	Borsa Italiana
BHP Billiton Ltd.	Registered share	GBP	BHP Billiton Ltd, 180 Lonsdale Street, Melbourne, VIC 3000, Australia	GB0000566504	BLT LN Equity	London Stock Exchange	Eurex
Bilfinger SE	Bearer share	EUR	Bilfinger SE, Carl-Reiss-Platz 1-5, DE-68165 Mannheim	DE0005909006	GBF GY Equity	XETRA	Eurex
Biogen Idec Inc.	Registered share	USD	Biogen Idec Inc, 14 Cambridge Center, Cambridge, MA 02142, United States	US09062X1037	BIIB UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
BlackBerry Ltd.	Registered share	USD	BlackBerry Ltd., 295 Phillip Street, Waterloo, ON N2L 3W8, Canada	CA09228F1036	BBRY UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
BNP Paribas	Bearer share	EUR	BNP Paribas , 3 rue d'Antin, F-75002 Paris	FR0000131104	BNP FP Equity	Euronext Paris	Eurex
Boliden AB	Registered share	SEK	Boliden AB, Klarabergsviadukten 90, PO Box 44, 1101 20 Stockholm, Sweden	SE0000869646	BOL SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
BP PLC	Registered share	GBP	BP Plc, 1 St James's Square, London, SW1Y 4PD, United Kingdom	GB0007980591	BP/ LN Equity	London Stock Exchange	Eurex
Brembo S.p.A.	Registered Share	EUR	Brembo S.p.A., Via Brembo 25, I-24035 Curno	IT0001050910	BRE IM Equity	Borsa Italiana	Borsa Italiana
Buzzi Unicem SpA	Registered Share	EUR	Buzzi Unicem SpA, Via Luggi Buzzi 6, Alessandria (AL), Casale Monferrato, 15033, Italy	IT0001347308	BZU IM Equity	Borsa Italiana	Borsa Italiana
BW LPG Ltd	Registered share	NOK	BW LPG Ltd, Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda	BMG173841013	BWLPG NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
Canon Inc.	Registered share	JPY	Canon Inc., 3-30-2 Shimomaruko, Ohta-ku, JP-Tokio, 146-8501	JP3242800005	7751 JT Equity	Tokyo Stock Exchange	Osaka Securities Exchange
Cargotec Oyj	Registered share	EUR	Cargotec Oyj, Porkkalankatu 5, 00180 Helsinki, Finland	FI0009013429	CGCBV FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Carlsberg A/S	Registered share	DKK	Carlsberg A/S, 100 NY Carlsberg Vej, Copenha-gen, 1760, Denmark	DK0010181676	CARLA DC Equity	Nasdaq OMX Copenhagen	Nasdaq OMX Stockholm

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
Carlsberg A/S	Registered share	DKK	Carlsberg A/S, 100 NY Carlsberg Vej, Copenha-gen, 1760, Denmark	DK0010181759	CARLB DC Equity	Nasdaq OMX Copenhagen	Nasdaq OMX Stockholm
Caterpillar Inc.	Registered share	USD	Caterpillar Inc., 100 NE Adams Street, Peoria, IL 61629, USA	US1491231015	CAT UN Equity	NYSE	Chicago Board Options Exchange
Celgene Corp.	Registered share	USD	Celgene Corp., 86 Morris Avenue, Summit, NJ 07901, USA	US1510201049	CELG UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
Cembra Money Bank AG	Registered share	CHF	Cembra Money Bank AG, Bandliweg 20, Zurich, 8048, Switzerland	CH0225173167	CMBN SW Equity	SIX Swiss Exchange	Eurex
Cerved Information Solutions SpA	Registered Share	EUR	Cerved Information Solutions SpA, Via S. Vigilio, 1, Milan, Italy	IT0005010423	CERV IM Equity	Borsa Italiana	Borsa Italiana
Charles Vögele Holding AG	Bearer share	CHF	Charles Vögele Holding AG, Gwattstrasse 15, Postfach 58, CH-8808 Pfäffikon	CH0006937772	VCH SW Equity	SIX Swiss Exchange	Eurex
Chr Hansen Holding A/S	Registered share	DKK	Chr. Hansen A/S, Bøge Allé 10-12, 2970 Hør-sholm, Denmar	DK0060227585	CHR DC Equity	Nasdaq OMX Copenhagen	Nasdaq OMX Stockholm
Cisco Systems Inc.	Registered share	USD	Cisco Systems Inc., 170 West Tasman Drive, San Jose, CA 95134-1706, USA	US17275R1023	CSCO UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
Citigroup Inc.	Registered share	USD	Citigroup Inc., 399 Park Avenue, New York, NY 10022, USA	US1729674242	C UN Equity	NYSE	Chicago Board Options Exchange
Clariant AG	Registered share	CHF	Clariant AG, Rothausstrasse 61, CH-4132 Muttenz 1	CH0012142631	CLN VX Equity	SIX Swiss Exchange	Eurex
Coca-Cola Company	Registered share	USD	The Coca-Cola Company, One Coca-Cola Plaza, Atlanta, GA 30313, USA	US1912161007	KO UN Equity	NYSE	Chicago Board Options Exchange
Coloplast A/S	Registered share	DKK	Coloplast A/S, Høltedam 1, Humlebaek, 3050, Denmark	DK0060448595	COLOB DC Equity	Nasdaq OMX Copenhagen	Nasdaq OMX Stockholm
Commerzbank AG	Bearer share	EUR	Commerzbank AG, Kaiserplatz, DE-60261 Frankfurt am Main	DE000CBK1001	CBK GY Equity	XETRA	Eurex
Compagnie de St-Gobain	Bearer share	EUR	Compagnie de Saint-Gobain, Les Miroirs, 18, avenue d'Alsace, 92400 Courbevoie, France	FR0000125007	SGO FP Equity	Euronext Paris	Eurex
Compagnie Financière Richemont SA	Registered share	CHF	Compagnie Financière Richemont SA, Boulevard James-Fazy 8, CH-1201 Genève	CH0210483332	CFR VX Equity	SIX Swiss Exchange	Eurex
Continental AG	Bearer share	EUR	Continental AG, Vahrenwalder Strasse 9, D-30165 Hannover	DE0005439004	CON GY Equity	XETRA	Eurex

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
Crédit Agricole SA	Bearer share	EUR	Crédit Agricole S.A., 91-93, Boulevard Pasteur, F-75710 Paris	FR0000045072	ACA FP Equity	Euronext Paris	Eurex
Credit Suisse Group AG	Registered share	CHF	Credit Suisse Group, Paradeplatz 8, Postfach, CH-8070 Zürich	CH0012138530	CSGN VX Equity	SIX Swiss Exchange	Eurex
Credito Emiliano SpA	Registered Share	EUR	Credito Emiliano SpA, Via Emilia San Pietro 4, Reggio Emilia, 42100, Italy	IT0003121677	CE IM Equity	Borsa Italiana	Borsa Italiana
Daimler AG	Registered share	EUR	Daimler AG, Epplestrasse 225, D-70546 Stuttgart	DE0007100000	DAI GY Equity	XETRA	Eurex
Danieli & C Officine Meccaniche SpA	Registered Share	EUR	Danieli & C Officine Meccaniche SpA, Via Nazionale 41, Buttrio, 33042, Italy	IT0000076502	DAN IM Equity	Borsa Italiana	Borsa Italiana
Danone	Bearer share	EUR	Danone, 17, Boulevard Haussmann, F-75009 Paris	FR0000120644	BN FP Equity	Euronext Paris	Eurex
Danske Bank A/S	Registered share	DKK	Danske Bank A/S, 2-12 Holmens Kanal, Copenhagen, 1092, Denmark	DK0010274414	DANSKE DC Equi-ty	Nasdaq OMX Copenhagen	Nasdaq OMX Stockholm
Davide Campari-Milano SpA	Registered Share	EUR	Davide Campari-Milano SpA, Via Filippo Turati, 27, Milan, 20121, Italy	IT0003849244	CPR IM Equity	Borsa Italiana	Borsa Italiana
De' Longhi SpA	Registered Share	EUR	De' Longhi SpA, Via Ludovico Seitz 47, Treviso, 31100, Italy	IT0003115950	DLG IM Equity	Borsa Italiana	Borsa Italiana
Det Norske Oljeselskap ASA	Registered share	NOK	Det Norske Oljeselskap ASA, Føniks, Munkegata 26, 7011 Trondheim, Norway	N00010345853	DETNOR NO Equi-ty	Oslo Stock Exchange	Oslo Stock Exchange
Deutsche Bank AG	Registered share	EUR	Deutsche Bank AG, Taunusanlage 12, D-60262 Frankfurt am Main	DE0005140008	DBK GY Equity	XETRA	Eurex
Deutsche Börse AG	Registered share	EUR	Deutsche Börse AG, Mergenthalerallee 61, D-65760 Eschborn	DE0005810055	DB1 GY Equity	XETRA	Eurex
Deutsche Lufthansa AG	Registered share	EUR	Deutsche Lufthansa AG, Von-Gablenz-Strasse 2-6, D-50679 Köln	DE0008232125	LHA GY Equity	XETRA	Eurex
Deutsche Post AG	Registered share	EUR	Deutsche Post AG, Charles-de-Gaulle Strasse 20, D-53113 Bonn	DE0005552004	DPW GY Equity	XETRA	Eurex
Deutsche Telekom AG	Registered share	EUR	Deutsche Telekom AG, Friedrich-Ebert-Allee 140, D-53113 Bonn	DE0005557508	DTE GY Equity	XETRA	Eurex
DiaSorin SpA	Registered Share	EUR	DiaSorin SpA, Via Crescentino snc, Saluggia, 10340, Italy	IT0003492391	DIA IM Equity	Borsa Italiana	Borsa Italiana
DKSH Holding Ltd.	Registered share	CHF	DKSH Holding Ltd., Wiesenstrasse 8, 8034 Zurich, Switzerland	CH0126673539	DKSH SW Equity	SIX Swiss Exchange	Eurex

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
DnB NOR ASA	Registered share	NOK	DnB NOR ASA, Stranden 21, 0021 Oslo, Norway	N00010031479	DNB NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
DNO ASA	Registered share	NOK	DNO ASA, Dokkveien 1, 0250 Oslo, Norway	N00003921009	DNO NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
DSV A/S	Registered share	DKK	DSV A/S, Banemarksvej 58, Broendby, DK-2605, Denmark	DK0060079531	DSV DC Equity	Nasdaq OMX Copenhagen	Nasdaq OMX Stockholm
Duerr AG	Bearer share	EUR	Duerr AG, Carl-Benz-Strasse 34, 74321 Bietigheim-Bissingen, Germany	DE0005565204	DUE GY Equity	XETRA	Eurex
Dufry AG	Ordinary share	CHF	Dufry AG, Hardstrasse 95, Basel, 4052, Switzerland	CH0023405456	DUFN VX Equity	SIX Swiss Exchange	Eurex
E.ON SE	Registered share	EUR	E.ON SE, E.ON-Platz 1, D-40479 Düsseldorf	DE000ENAG999	EOAN GY Equity	XETRA	Eurex
eBay Inc.	Registered share	USD	eBay Inc., Whitman Campus, 2065 Hamilton Avenue, San Jose, California 95125, USA	US2786421030	EBAY UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
Ei Towers SpA	Registered Share	EUR	Ei Towers SpA, Via Zanella 21, Lissone, Italy	IT0003043418	EIT IM Equity	Borsa Italiana	Borsa Italiana
Electrolux AB	Registered share	SEK	Electrolux AB, St Goransgatan 143, 105 45 Stockholm, Sweden	SE0000103814	ELUXB SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Elisa OYJ	Registered share	EUR	Elisa OYJ, Ratavartijankatu 5 Helsinki, PO Box 1, 00061 Elisa, Finland	FI0009007884	ELI1V FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Enel Green Power SpA	Registered Share	EUR	Enel Green Power SpA, Viale Regina Margherita 125, Rome, 00198, Italy	IT0004618465	EGPW IM Equity	Borsa Italiana	Borsa Italiana
Enel SpA	Registered share	EUR	Enel SpA, Viale Regina Margherita 125/137, 00198 Rome, Italy	IT0003128367	ENEL IM Equity	Borsa Italiana	Eurex
Enel SpA	Registered Share	EUR	Enel SpA, Viale Regina Margherita 125/137, 00198 Rome, Italy	IT0003128367	ENEL IM Equity	Borsa Italiana	Borsa Italiana
ENGIE	Bearer share	EUR	ENGIE, 1, Place Samuel de Champlain, Courbevoie, 92400, France	FR0010208488	ENGI FP Equity	Euronext Paris	Eurex
ENI SpA	Registered Share	EUR	ENI SpA, Piazzale Enrico Mattei 1, 00144 Rome, Italy	IT0003132476	ENI IM Equity	Borsa Italiana	Borsa Italiana
ERG SpA	Registered Share	EUR	ERG SpA, Via Nicola Piccinni 2, Milano, 20131, Italy	IT0001157020	ERG IM Equity	Borsa Italiana	Borsa Italiana

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
Exor SpA	Registered Share	EUR	Exor SpA, Corso G. Matteotti 26, 10121 Turin, Italy	IT0001353140	EXO IM Equity	Borsa Italiana	Borsa Italiana
Exxon Mobil Corp.	Registered share	USD	Exxon Mobil Corporation, 5959 Las Colinas Boulevard, Irving, TX 75039-2298, USA	US30231G1022	XOM UN Equity	NYSE	Chicago Board Options Exchange
Facebook Inc.	Registered share	USD	Facebook Inc., Menlo Park, California, USA	US30303M1027	FB UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
Ferrari N.V.	Registered share	USD	Via Abetone Inferiore N 4, Maranello, I-41053, Italy	NL0011509302	RACE UN Equity	NYSE	Chicago Board Options Exchange
Fiat SpA	Registered share	EUR	Fiat SpA, Via Nizza 250, 10126 Turin, Italy	IT0001976403	F IM Equity	Borsa Italiana	Eurex
Fiat SpA	Registered Share	EUR	Fiat SpA, Via Nizza 250, 10126 Turin, Italy	IT0001976403	F IM Equity	Borsa Italiana	Borsa Italiana
FinecoBank Banca Fineco SpA	Registered Share	EUR	FinecoBank Banca Fineco SpA, Piazza Durante 11, Milano, 20131, Italy	IT0000072170	FBK IM Equity	Borsa Italiana	Borsa Italiana
Finmeccanica SpA	Registered Share	EUR	Finmeccanica SpA, Piazza Monte Grappa, 4, Rome, 00195, Italy	IT0003856405	FNC IM Equity	Borsa Italiana	Borsa Italiana
Fortum OYJ	Registered share	EUR	Fortum OYJ, Keilaniementie, POB 1, 00048 Espoo, Finland	FI0009007132	FUM1V FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Fred Olsen Energy ASA	Registered share	NOK	Fred Olsen Energy ASA, Fred Olsens Gate 2, 0152 Oslo, Norway	NO0003089005	FOE NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
Fresenius Medical Care AG & Co. KgaA	Bearer share	EUR	Fresenius Medical Care AG & Co. KgaA, Else-Kroener-Strasse 1, D- 61352 Bad Homburg	DE0005785802	FME GY Equity	XETRA	Eurex
Fresenius SE & Co. KgaA	Ordinary share	EUR	Fresenius SE & Co. KgaA, Else-Kroener-Strasse 1, 61352 Bad Homburg V.D.H., Germany	DE0005785604	FRE GY Equity	XETRA	Eurex
G4S PLC	Registered share	DKK	G4S plc, The Manor, Manor Royal, Crawley, West Sussex, RH10 9UN, United Kingdom	GB00B01FLG62	GR4SEC DC Equity	Nasdaq OMX Copenhagen	Nasdaq OMX Stockholm
Galenica AG	Registered share	CHF	Galenica AG, Untermattweg 8, CH-3001 Bern	CH0015536466	GALN SW Equity	SIX Swiss Exchange	Eurex
GAM Holding AG	Registered share	CHF	GAM Holding Ltd., Klausstrasse 10, CH-8034 Zurich	CH0102659627	GAM SW Equity	SIX Swiss Exchange	Eurex
Geberit AG	Registered share	CHF	Geberit AG, Schachenstrasse 77, CH-8645 Jona	CH0030170408	GEVN VX Equity	SIX Swiss Exchange	Eurex

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
General Electric Company	Registered share	USD	General Electric Company, 3135 Easton Turnpike, Fairfield, CT 06828-0001, USA	US3696041033	GE UN Equity	NYSE	Chicago Board Options Exchange
General Motors Co.	Registered share	USD	General Motors Co., 300 Renaissance Center, Detroit, Mi 48265-3000, USA	US37045V1008	GM UN Equity	NYSE	Chicago Board Options Exchange
Genmab A/S	Registered share	DKK	Genmab A/S, Bredgade 34E, 1260 Copenhagen K, Denmark	DK0010272202	GEN DC Equity	Nasdaq OMX Copenhagen	Nasdaq OMX Stockholm
Georg Fischer AG	Registered share	CHF	Georg Fischer AG, Amsler-Laffon-Strasse 9, CH-8201 Schaffhausen	CH0001752309	FI/N SW Equity	SIX Swiss Exchange	Eurex
Getinge AB	Registered share	SEK	Getinge AB, Box 69, Getinge, 310 44, Sweden	SE0000202624	GETIB SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Gilead Sciences Inc.	Registered share	USD	Gilead Sciences Inc, 333 Lakeside Drive, Foster City, CA 94404, United States	US3755581036	GILD UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
Givaudan SA	Registered share	CHF	Givaudan SA, 5 Chemin de la Parfumerie, CH-1214 Vernier	CH0010645932	GIVN VX Equity	SIX Swiss Exchange	Eurex
Gjensidige For-sikring ASA	Registered share	NOK	Forsikring ASA, Postboks 700 Sentrum, 0106 Oslo, Norway	N00010582521	GJF NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
Glencore PLC	Registered share	GBP	Glencore PLC, Baarermattstr. 3, CH-6341 Baar	JE00B4T3BW64	GLEN LN Equity	London Stock Exchange	Eurex
Golden Ocean Group Ltd	Registered share	NOK	Golden Ocean Group Ltd, PO Box HM 1593, Par-la-Ville Place, 14 Par-la-Ville Road, Hamilton HM 08 Bermuda	BMG4032A1045	GUGL NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
GoPro Inc.	Registered share	USD	GoPro Inc., 3000 Clearview Way, San Mateo, CA 94402, USA	US38268T1034	GPRO UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
Hannover Rück SE	Registered share	EUR	Hannover Rück SE, Karl-Wiechert-Allee 50, 30625 Hannover, Deutschland	DE0008402215	HNR1 GY Equity	XETRA	Eurex
HeidelbergCement AG	Bearer share	EUR	HeidelbergCement, Berliner Strasse 6, D-69120 Heidelberg	DE0006047004	HEI GY Equity	XETRA	Eurex
Henkel AG & Co. KgaA	Preferred Shares	EUR	Henkel AG & Co KgaA, Henkelstrasse 67, 40191, Duesseldorf, Germany	DE0006048432	HEN3 GY Equity	XETRA	Eurex
Hennes & Mauritz AB	Registered share	SEK	Hennes & Mauritz AB, Master Samuelsgatan 46, Stockholm, 106 38, Sweden	SE0000106270	HMB SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm

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Hera SpA	Registered Share	EUR	Hera SpA, Viale Carlo Berti Pichat 2/4, Bologna, 40127, Italy	IT0001250932	HER IM Equity	Borsa Italiana	Borsa Italiana
Hewlett-Packard Co.	Registered share	USD	Hewlett-Packard Co., 3000 Hanover Street, Palo Alto, CA-94304-1185, USA	US4282361033	HPQ UN Equity	NYSE	Chicago Board Options Exchange
Holcim Ltd.	Registered share	CHF	Holcim Ltd, Zürcherstrasse 156, CH-8645 Jona	CH0012214059	HOLN VX Equity	SIX Swiss Exchange	Eurex
Hugo Boss AG	Ordinary share	EUR	Hugo Boss AG, Dieselstrasse 12, 72555 Metzingen, Germany	DE000A1PHFF7	BOSS GY Equity	XETRA	Eurex
Huhtamaki OYJ	Registered share	EUR	Huhtamaki OYJ, Keilaranta 10, 02201 Espoo, Finland	FI0009000459	HUH1V FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Industria Macchine Automatiche SpA	Registered Share	EUR	Industria Macchine Automatiche SpA, Via Emilia 428/442, Ozzano Emilia, Bologna, 40064, Italy	IT0001049623	IMA IM Equity	Borsa Italiana	Borsa Italiana
Infineon Technologies AG	Registered share	EUR	Infineon Technologies AG, St-Martin-Strasse 53, D-81669 München	DE0006231004	IFX GY Equity	XETRA	Eurex
Infrastrutture Wireless Italiane SpA	Registered Share	EUR	Infrastrutture Wireless Italiane SpA, Via Vasari 19, Milan, Italy	IT0005090300	INW IM Equity	Borsa Italiana	Borsa Italiana
ING Groep N.V.	Bearer share	EUR	ING Groep NV, Amstelveenseweg 500, NL-1081 KL Amsterdam	NL0000303600	INGA NA Equity	Euronext Amsterdam	Eurex
Intel Corp.	Registered share	USD	Intel Corporation, 2200 Mission College Boulevard, Santa Clara, CA 95052-8119, USA	US4581401001	INTC UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
International Business Machines Corp.	Registered share	USD	Intl. Business Machines Corp., One New Orchard Road, Armonk, NY 10504, USA	US4592001014	IBM UN Equity	NYSE	Chicago Board Options Exchange
Interpump Group SpA	Registered Share	EUR	Interpump Group SpA, Via E Fermi 25, Sant'Ilario d'Enza, 42049, Italy	IT0001078911	IP IM Equity	Borsa Italiana	Borsa Italiana
Intesa Sanpaolo SpA	Registered Share	EUR	Intesa Sanpaolo SpA	IT0000072618	ISP IM Equity	Borsa Italiana	Borsa Italiana
Investment AB Kinnevik	Registered share	SEK	Investment AB Kinnevik, Skeppsbron 18, SE-111 30 Stockholm, Sweden	SE0000164626	KINVB SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Investor AB	Registered share	SEK	Investor AB, Arsenalgatan 8C, Stockholom, 10332, Sweden	SE0000107419	INVEB SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
Iren SpA	Registered Share	EUR	Iren SpA, Via Bertola 48, 10122 Turin, Italy	IT0003027817	IRE IM Equity	Borsa Italiana	Borsa Italiana
ISS A/S	Registered share	DKK	ISS A/S, Buddingevej 197, Soborg, DK-2860, Denmark	DK0060542181	ISS DC Equity	Nasdaq OMX Copenhagen	Nasdaq OMX Stockholm
Italcementi SpA	Registered Share	EUR	Italcementi SpA, Via G Camozzi 124, Bergamo, 24121, Italy	IT0001465159	IT IM Equity	Borsa Italiana	Borsa Italiana
Italmobiliare SpA	Registered Share	EUR	Italmobiliare SpA, Via Borgonuovo n 20, Milan, 20121, Italy	IT0000074598	ITM IM Equity	Borsa Italiana	Borsa Italiana
Johnson & Johnson	Registered share	USD	Johnson & Johnson, One Johnson & Johnson Plaza, New Brunswick, NJ 08933, USA	US4781601046	JNJ UN Equity	NYSE	Chicago Board Options Exchange
Julius Bär Gruppe AG	Registered share	CHF	Julius Baer Gruppe AG, Bahnhofstrasse 36, CH- 8010 Zürich	CH0102484968	BAER VX Equity	SIX Swiss Exchange	Eurex
K+S AG	Registered share	EUR	K+S Aktiengesellschaft, Bertha-von-Suttner-Strasse 7, D-34131 Kassel	DE000KSAG888	SDF GY Equity	XETRA	Eurex
Kemira Oyj	Registered share	EUR	Kemira OYJ, Porkkalankatu 3 P.O. Box 330, Helsinki, 00101, Finland	FI0009004824	KRA1V FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Kesko OYJ	Registered share	EUR	Kesko OYJ, Satamakatu 3, 00016 Kesko, Finland	FI0009000202	KESBV FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Kesko OYJ	Registered share	EUR	Kesko OYJ, Satamakatu 3, 00016 Kesko, Finland	FI0009007900	KESAV FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Klöckner & Co SE	Registered share	EUR	Klöckner & Co SE, Am Silberpalais 1, 47057 Duisburg, Germany	DE000KC01000	KCO GY Equity	XETRA	Eurex
Kone OYJ	Registered share	EUR	KONE OYJ, PO Box 7, Keilasatama 3, 02150 Espoo, Finland	FI0009013403	KNEBV FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Konecranes OYJ	Registered share	EUR	Konecranes OYJ, Koneenkatu 8 P.O. Box 661, Hyvinkaa, 05801, Finland	FI0009005870	KCR1V FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Koninklijke Philips N.V.	Bearer share	EUR	Koninklijke Philips NV, PO Box 77900, NL-1070 MX Amsterdam	NL0000009538	PHIA NA Equity	Euronext Amsterdam	Eurex
Kudelski SA	Bearer share	CHF	Kudelski SA, Route de Genève 22, CH-1033 Cheseaux	CH0012268360	KUD SW Equity	SIX Swiss Exchange	Eurex
Kuehne + Nagel International AG	Registered share	CHF	Kuehne & Nagel Intl. AG, Kuehne & Nagel-Haus, Postfach 67, CH-8834 Schindellegi	CH0025238863	KNIN VX Equity	SIX Swiss Exchange	Eurex

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Kuoni Reisen Holding AG	Registered share	CHF	Kuoni Reisen Holding AG, Neue Hard 7, CH-8010 Zürich	CH0003504856	KUNN SW Equity	SIX Swiss Exchange	Eurex
L'Oréal International	Bearer share	EUR	Loreal, 14 rue Royale, F- 75008 Paris	FR0000120321	OR FP Equity	Euronext Paris	Eurex
Lanxess AG	Bearer share	EUR	Lanxess AG, Building K10, D-51369 Leverkusen, Germany	DE0005470405	LXS GY Equity	XETRA	Eurex
Leoni AG	Registered share	EUR	Leoni AG, Marienstrasse 7, DE-90402 Nürnberg	DE0005408884	LEO GY Equity	XETRA	Eurex
Linde AG	Bearer share	EUR	Linde AG, Abraham-Lincoln-Strasse 21, D-65189 Wiesbaden	DE0006483001	LIN GY Equity	XETRA	Eurex
Lloyds Banking Group PLC	Registered share	GBP	Lloyds Banking Group Plc, 5 th Floor 25 Gresham Street, London, ENG EC2V 7HN, England	GB0008706128	LLOY LN Equity	London Stock Exchange	Eurex
Logitech International SA	Registered share	CHF	Logitech International SA, Moudin Du Choc, CH-1122 Romanel-sur-Morges	CH0025751329	LOGN SW Equity	SIX Swiss Exchange	Eurex
Lonza Group AG	Registered share	CHF	Lonza Group AG, Münchensteinerstrasse 38, CH-4002 Basel	CH0013841017	LONN VX Equity	SIX Swiss Exchange	Eurex
Lundin Petroleum AB	Registered share	SEK	Lundin Petroleum AB, Hovslagargatan 5, Stockholm, 111 48, Sweden	SE0000825820	LUPE SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Luxottica Group SpA	Registered Share	EUR	Luxottica Group SpA, Via Cantu 2, Milan, 20123, Italy	IT0001479374	LUX IM Equity	Borsa Italiana	Borsa Italiana
LVMH Moët Hennessy Louis Vuitton SA	Bearer share	EUR	LVMH Moët Hennessy Louis Vuitton SA, 22 Avenue Montaigne, F-75008 Paris	FR0000121014	MC FP Equity	Euronext Paris	Eurex
Marine Harvest ASA	Registered share	NOK	Marine Harvest ASA, Stortingsgt 8, Oslo, 0161, Norway	NO0003054108	MHG NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
MARR SpA	Registered Share	EUR	MARR SpA, Via Spagna 20, Rimini, 47900, Italy	IT0003428445	MARR IM Equity	Borsa Italiana	Borsa Italiana
MasterCard Inc	Registered share	USD	MasterCard Inc, 2000 Purchase Street, Purchase, New York 10577, USA	US57636Q1040	MA UN Equity	NYSE	Chicago Board Options Exchange
McDonalds Corp.	Registered share	USD	McDonalds Corporation, McDonalds Plaza, Oak Brook, IL 60523, USA	US5801351017	MCD UN Equity	NYSE	Chicago Board Options Exchange
Mediaset SpA	Registered Share	EUR	Mediaset SpA, Via Paleocapa, 3, Milano, 20121, Italy	IT0001063210	MS IM Equity	Borsa Italiana	Borsa Italiana
Mediobanca SpA	Registered Share	EUR	Mediobanca SpA, Piazzetta Enrico Cuccia 1, Milan, 20121, Italy	IT0000062957	MB IM Equity	Borsa Italiana	Borsa Italiana

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
Merck KgaA	Bearer share	EUR	Merck KgaA, Frankfurter Strasse 250, D-64293 Darmstadt	DE0006599905	MRK GY Equity	XETRA	Eurex
Metro AG	Bearer share	EUR	Metro AG, Metro-Straße 1, D-40235 Düsseldorf	DE0007257503	MEO GY Equity	XETRA	Eurex
Metso OYJ	Registered share	EUR	Metso OYJ, Fabianinkatu 9 A, PO Box 1220, 00130 Helsinki, Finland	FI0009007835	ME01V FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Meyer Burger Technology AG	Registered share	CHF	Meyer Burger Technology AG, Grabenstrasse 25, CH- 6340 Baar	CH0108503795	MBTN SW Equity	SIX Swiss Exchange	Eurex
Microsoft Corp.	Registered share	USD	Microsoft Corp., One Microsoft Way, Redmond, WA 98052-6399, USA	US5949181045	MSFT UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
Modern Times Group MTG AB	Registered share	SEK	Modern Times Group MTG AB, Skeppsbron 18, Box 2094, SE-103 13, Stockholm, Sweden	SE0000412371	MTGB SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Moncler SpA	Registered Share	EUR	Moncler SpA, Via Enrico Stendhal 47, Milano, 20144, Italy	IT0004965148	MONC IM Equity	Borsa Italiana	Borsa Italiana
MTU Aero Engines Holdings AG	Registered share	EUR	MTU Aero Engines Holdings AG, Dachauer Strasse 665, Munich, 80995, Germany	DE000A0D9PT0	MTX GY Equity	XETRA	Eurex
Münchener Rückversicherungs AG	Registered share	EUR	Münchener Rückversicherungs-Gesellschaft AG, Königinstrasse 107, D-80802 München	DE0008430026	MUV2 GY Equity	XETRA	Eurex
Neste OYJ	Registered share	EUR	Neste OYJ, Keilaranta 21, 02150 Espoo , Finland	FI0009013296	NESTE FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Nestlé SA	Registered share	CHF	Nestlé SA, Avenue Nestlé 55, CH-1800 Vevey	CH0038863350	NESN VX Equity	SIX Swiss Exchange	Eurex
Netflix Inc.	Registered share	USD	Netflix Inc., 100 Winchester Circle, Los Gatos, CA 95032, USA	US64110L1061	NFLX UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
Newmont Mining Corp.	Registered share	USD	Newmont Mining Corp., 1700 Lincoln Street, Denver, CO 80203, USA	US6516391066	NEM UN Equity	NYSE	Chicago Board Options Exchange
Nike Inc.	Registered share	USD	Nike Inc., One Bowerman Drive, Beaverton, OR 97005-6453, United States	US6541061031	NKE UN Equity	NYSE	Chicago Board Options Exchange
Nintendo Co Ltd.	Registered share	JPY	Nintendo Co. Ltd., 11-1 Kamitoba Hokotate-cho Minami-ku, Kyoto-shi, KYT 601-8116, Japan	JP3756600007	7974 JT Equity	Tokyo Stock Exchange	Osaka Securities Exchange
Nobel Biocare Holding AG	Registered share	CHF	Nobel Biocare Holding AG, Balz Zimmermann Strasse 7, CH-8302 Kloten	CH0037851646	NOBN SW Equity	SIX Swiss Exchange	Eurex

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
Nokia OYJ	Registered share	SEK	Nokia OYJ, Karaportti 3, 02610 Espoo, Finland	FI0009000681	NOKISEK SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Nokia OYJ	Registered share	EUR	Nokia OYJ, Karaportti 3, 02610 Espoo, Finland	FI0009000681	NOKIA FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Nokian Renkaat OYJ	Registered share	EUR	Nokian Renkaat OYJ, Pirkkalaistie7, PO Box 20, 37101 Nokia, Finland	FI0009005318	NRE1V FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Nordea Bank AB	Registered share	SEK	Nordea Bank AB, Smalandsgatan 17, SE-105 71 Stockholm, Sweden	SE0000427361	NDA SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Nordea Bank AB	FDR (Finnish Depository Receipt)	EUR	Nordea Bank AB, Smalandsgatan 17, SE-105 71 Stockholm, Sweden	FI0009902530	NDA1V FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Nordea Bank AB	Registered share	DKK	Nordea Bank AB, Smalandsgatan 17, SE-105 71 Stockholm, Sweden	SE0000427361	NDA DC Equity	Nasdaq OMX Copenhagen	Nasdaq OMX Stockholm
Norsk Hydro ASA	Registered share	NOK	Norsk Hydro ASA, Bygdoy Alle 2, 0240 Oslo, Norway	N00005052605	NHY NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
Norwegian Air Shuttle ASA	Registered share	NOK	Norwegian Air Shuttle ASA, Oksenøyveien 3, P.O. Box 115, NO-1330 Fornebu, Norway	N00010196140	NAS NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
Novartis AG	Registered share	CHF	Novartis AG, Postfach, CH-4002 Basel	CH0012005267	NOVN VX Equity	SIX Swiss Exchange	Eurex
Novozymes A/S	Registered share	DKK	Novozymes A/S, Krogshøjvej 36,BAGSVAERD, 2880, Denmark	DK0060336014	NZYM DC Equity	Nasdaq OMX Copenhagen	Nasdaq OMX Stockholm
OA0 Gazprom	ADR	USD	OA0 Gazprom, 16 Nametkina Street, 117997 Moskau, Russia	US3682872078	OGZD LI Equity	London International	Eurex
OC Oerlikon Corp. AG	Registered share	CHF	OC Oerlikon Corp. AG, Churerstrasse 120, CH-8808 Pfäffikon SZ	CH0000816824	OERL SW Equity	SIX Swiss Exchange	Eurex
Opera Software ASA	Registered share	NOK	Opera Software ASA, Gjerdrums vei 19, NO-0484 Oslo, Norway	N00010040611	OPERA NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
Orange S.A.	Bearer share	EUR	Orange S.A., 78, Rue Olivier de Serres, F-75015 Paris Cedex 15	FR0000133308	ORA FP Equity	Euronext Paris	Eurex
Orion Oyj	Registered share	EUR	Orion OYJ, Ionintie 1° FI-02200 Espoo, Finland	FI0009014377	ORNBV FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Orion Oyj	Registered share	EUR	Orion OYJ, Ionintie 1° FI-02200 Espoo, Finland	FI0009014369	ORNAV FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm

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Orkla ASA	Registered share	NOK	Orkla ASA, P.O. Box 162, Sarpsborg, 1701, Norway	N00003733800	ORK NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
Outokumpu OYJ	Registered share	EUR	Outokumpu OYJ, Riihitontuntie 7, PO Box 140, 02201 Espoo, Finland	FI0009002422	OUT1V FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Outotec OYJ	Registered share	EUR	Outotec OYJ, Riihitontuntie 7 C, PO Box 86, 02200 Espoo, Finland	FI0009014575	OTE1V FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
OVS SpA	Registered Share	EUR	OVS SpA, 33 Via 5 Martiri, Vertova, 24029, Italy	IT0005043507	OVS IM Equity	Borsa Italiana	Borsa Italiana
Panalpina Welttransport Holding AG	Registered share	CHF	Panalpina Welttransport Holding AG, Viaduktstrasse 42, CH-4002 Basel	CH0002168083	PWTN SW Equity	SIX Swiss Exchange	Eurex
Pandora A/S	Registered share	DKK	Pandora A/S, Hovedvejen 2, DK-2600 Glostrup, Denmark	DK0060252690	PNDORA DC Equi-ty	Nasdaq OMX Copenhagen	Nasdaq OMX Stockholm
Parmalat SpA	Registered Share	EUR	Parmalat SpA, Via delle Nazioni Unite 4, Collecchio, Italy	IT0003826473	PLT IM Equity	Borsa Italiana	Borsa Italiana
PayPal Holdings Inc.	Registered share	USD	PayPal Holdings Inc., 2211 North First Street, San Jose, California 95131, USA	US70450Y1038	PYPL UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
Petroleum Geo-Services ASA	Registered share	NOK	Petroleum Geo-Services ASA, Strandveien 4 P.O. Box 89, Lysaker, 1326, Norway	N00010199151	PGS NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
Peugeot SA	Bearer share	EUR	Peugeot SA, 75 Av. de la Grand Armée, F-75116 Paris	FR0000121501	UG FP Equity	Euronext Paris	Eurex
Pfizer Inc.	Registered share	USD	Pfizer Inc., 235 East 42 nd Street, New York, NY 10017, USA	US7170811035	PFE UN Equity	NYSE	Chicago Board Options Exchange
Porsche Automobil Holding SE	Preference share	EUR	Porsche Automobil Holding SE, Porscheplatz 1, D-70435 Stuttgart	DE000PAH0038	PAH3 GY Equity	XETRA	Eurex
Poste Italiane SpA	Registered Share	EUR	Poste Italiane SpA, Via Marmorata 4, Roma, 00153, Italy	IT0003796171	PST IM Equity	Borsa Italiana	Borsa Italiana
ProSiebenSat.1 Media AG	Registered share	EUR	ProSiebenSat.1 Media AG, Medienallee 7, D-85774 Unterfoehring	DE000PSM7770	PSM GY Equity	XETRA	Eurex
Prysmian SpA	Registered Share	EUR	Prysmian SpA, Viale Sarca, 222, Milan, Italy	IT0004176001	PRY IM Equity	Borsa Italiana	Borsa Italiana
Qualcomm Inc.	Registered share	USD	Qualcomm Inc., 5775 Morehouse Drive, San Diego, CA 92121, USA	US7475251036	QCOM UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
RAI Way SpA	Registered Share	EUR	RAI Way SpA, Via Teulada, 66, Roma, 00195, Italy	IT0005054967	RWAY IM Equity	Borsa Italiana	Borsa Italiana
REC Silicon ASA	Registered share	NOK	REC Silicon ASA, PO Box 63, Lysaker, NO-1324, Norway	NO0010112675	REC NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
Recordati SpA	Registered Share	EUR	Recordati SpA, Via Matteo Civitali 1, Milan, 20148, Italy	IT0003828271	REC IM Equity	Borsa Italiana	Borsa Italiana
Renault SA	Bearer share	EUR	Renault SA, 1967 rue du Vieux Pont de Sèvres, 92109 Boulogne-Billancourt, France	FR0000131906	RNO FP Equity	Euronext Paris	Eurex
Reply SpA	Registered Share	EUR	Reply SpA, Corso Francia 110, Torino, 10143, Italy	IT0001499679	REY IM Equity	Borsa Italiana	Borsa Italiana
Repsol YPF SA	Bearer share	EUR	Repsol YPF S.A., Paseo de la Castellana 278-280, ES-28046 Madrid	ES0173516115	REP SQ Equity	Mercado Continuo Espanol	Eurex
Rieter Holding AG	Registered share	CHF	Rieter Holding AG, Schlosstalstrasse 43, CH-8406 Winterthur	CH0003671440	RIEN SW Equity	SIX Swiss Exchange	Eurex
Rio Tinto Plc	Registered share	GBP	Rio Tinto Plc, 5 Aldermanbury Square, GB-London EC2V 7HR	GB0007188757	RIO LN Equity	London Stock Exchange	Eurex
Roche Holding AG	Dividend-right certificate	CHF	Roche Holding AG, Postfach, CH-4070 Basel	CH0012032048	ROG VX Equity	SIX Swiss Exchange	Eurex
Royal Bank of Scotland Group PLC	Registered share	GBP	Royal Bank of Scotland Group, 42 Saint Andrew Square, GB-Edinburgh EH2 2YE	GB00B7T77214	RBS LN Equity	London Stock Exchange	Eurex
Royal Caribbean Cruises Ltd	Registered share	NOK	Royal Caribbean Cruises Ltd., 1050 Caribbean Way, Miami, FL 33132, USA	LR0008862868	RCL NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
Royal Dutch Shell PLC	Registered share	EUR	Royal Dutch Shell PLC, 30 Carel Van Bylandtlaan, NL-2596 HR Den Haag	GB00B03MLX29	RDSA NA Equity	Euronext Amsterdam	Eurex
RWE AG	Bearer share	EUR	RWE AG, Opernplatz 1, D-45128 Essen	DE0007037129	RWE GY Equity	XETRA	Eurex
Saipem SpA	Registered Share	EUR	Saipem SpA, Via Martiri do Cefalonia 67, 20097 San Donato Milanese, Milan, Italy	IT0000068525	SPM IM Equity	Borsa Italiana	Borsa Italiana
Salini Impregilo SpA	Registered Share	EUR	Salini Impregilo SpA, Via dei Missaglia 97, I-20142 Milano	IT0003865570	SAL IM Equity	Borsa Italiana	Borsa Italiana
Salvatore Ferragamo SpA	Registered Share	EUR	Salvatore Ferragamo SpA, Palazzo Feroni, Via dei Tornabuoni, 2, Florence, 50123, Italy	IT0004712375	SFER IM Equity	Borsa Italiana	Borsa Italiana

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
Salzgitter AG	Bearer share	EUR	Salzgitter AG, Eisenhuettenstrasse 99, DE-38239 Salzgitter	DE0006202005	SZG GY Equity	XETRA	Eurex
Sampo Oyj	Registered share	EUR	Sampo OYJ, Fabianinkatu 27, 00100 Helsinki, Finland	FI0009003305	SAMAS FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Samsung Electronics Co. Ltd.	GDR	USD	Samsung Electronics Co Ltd, 416 Maetan-dong, Yeongtong-Gu Suwon-si, Gyeonggi, 442-742, Korea, Republic of (South)	US7960508882	SMSN LI Equity	London International	Turquoise Derivatives Market
Sandvik AB	Registered share	SEK	Sandvik AB, 811 81 Sandviken, Sweden	SE0000667891	SAND SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Sanofi-Aventis SA	Bearer share	EUR	Sanofi-Aventis SA, 174, Avenue de France, F-75013 Paris	FR0000120578	SAN FP Equity	Euronext Paris	Eurex
SAP AG	Bearer share	EUR	SAP AG, Neurottstrasse 16, D-69190 Walldorf	DE0007164600	SAP GY Equity	XETRA	Eurex
Saras SpA	Registered Share	EUR	Saras SpA, Galleria De Cristoforis 8, 20122 Milan, Italy	IT0000433307	SRS IM Equity	Borsa Italiana	Borsa Italiana
Schibsted ASA	Registered share	NOK	Schibsted ASA, Apotekergaten 10 Box 490 Sentrum, Oslo, 0105, Norway	NO0003028904	SCH NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
Schindler Holding AG	Participation certificate	CHF	Schindler Holding AG, Seestrasse 55, CH-6052 Hergiswil	CH0024638196	SCHP VX Equity	SIX Swiss Exchange	Eurex
Schmolz + Bickenbach AG	Registered share	CHF	Schmolz + Bickenbach AG, Postfach, Emmenweidstrasse 90, CH-6021 Emmenbrücke	CH0005795668	STLN SW Equity	SIX Swiss Exchange	Eurex
Schneider Electric SA	Bearer share	EUR	Schneider Electric SA, 35 rue Joseph Moniere, F-92500 Rueil-Malmaison	FR0000121972	SU FP Equity	Euronext Paris	Eurex
Seadrill Ltd	Registered share	NOK	Seadrill Ltd, PO Box HM 1593, Par-la-Ville, Place, 14 Par-la-Ville Road, Hamilton, HM 08, Bermuda	BMG7945E1057	SDRL NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
Securitas AB	Registered share	SEK	Securitas AB, Lindhagensplan 70, Box 12307, SE-102 28 Stockholm, Sweden	SE0000163594	SECUB SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
SGS SA	Registered share	CHF	Société Générale de Surveillance SA, 1 place des Alpes, CH-1211 Genève 1	CH0002497458	SGSN VX Equity	SIX Swiss Exchange	Eurex
Siemens AG	Registered share	EUR	Siemens AG , Wittelsbacherplatz 2, D-80333 München	DE0007236101	SIE GY Equity	XETRA	Eurex

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
Siemens AG Basket	Registered share	EUR	Siemens AG , Wittelsbacherplatz 2, D-80333 München	DE000A1XRC2	SIE_B Equity	XETRA	Eurex
Sika AG	Bearer share	CHF	Sika AG, Zugerstrasse 50, CH-6341 Baar	CH0000587979	SIK VX Equity	SIX Swiss Exchange	Eurex
Skandinaviska Enskilda Banken AB	Registered share	SEK	Skandinaviska Enskilda Banken AB, Kungstradgardsgatan 8, 106 40 Stockholm, Sweden	SE0000148884	SEBA SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Skanska AB	Registered share	SEK	Skanska AB, Rasundavagen 2, 169 83 Solna, Sweden	SE0000113250	SKAB SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
SKF AB	Registered share	SEK	SKF AB, Hornsgatan 1, Goteborg, 415 50, Sweden	SE0000108227	SKFB SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Snam Rete Gas SpA	Registered Share	EUR	Snam Rete Gas SpA, Piazza Santa Barbara 7, 20097 San Donato Milanese (Mi), Italy	IT0003153415	SRG IM Equity	Borsa Italiana	Borsa Italiana
Società Iniziative Autostradali e Servizi S.p.A.	Registered Share	EUR	SIAS SPA, Via Bonzanigo 22, I-10144 Turin	IT0003201198	SIS IM Equitiy	Borsa Italiana	Borsa Italiana
Société Générale	Bearer share	EUR	Société Générale S.A., 29 Boulevard Haussmann, 75009 Paris, France	FR0000130809	GLE FP Equity	Euronext Paris	Eurex
Softbank Corp.	Registered share	JPY	Softbank Corp., 1-9-1 Higashi-shimbashi, Minato-ku, Tokyo 105-7303, Japan	JP3436100006	9984 JT Equity	Tokyo Stock Exchange	Osaka Securities Exchange
Sonova Holding AG	Registered share	CHF	Sonova Holding AG, Laubisrütistrasse 28, CH-8712 Stäfa	CH0012549785	SOON VX Equity	SIX Swiss Exchange	Eurex
Sony Corp.	Registered share	JPY	Sony Corporation, 1-7-1 Konan, Minato-ku, Tokyo 108-0075, Japan	JP3435000009	6758 JT Equity	Tokyo Stock Exchange	Osaka Securities Exchange
SSAB AB	Registered share	SEK	SSAB AB, Klarabergsviadukten 70 D6, PO Box 70, 101 21 Stockholm, Sweden	SE0000171100	SSABA SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Stada Arzneimittel AG	Bearer share	EUR	Stada Arzneimittel AG, Stadastrasse 2-18, D-61118 Bad Vilbel	DE0007251803	SAZ GY Equity	XETRA	Eurex
Starbucks Corp.	Registered share	USD	Starbucks Corp, 2401 Utah Avenue South, Seattle, WA 98134, United States	US8552441094	SBUX UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
Statoil ASA	Registered share	NOK	Statoil ASA, Forusbeen 50, 4035 Stavanger, Norway	N00010096985	STL NO Equity	Oslo Stock Exchange	Oslo Stock Exchange

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
STMicroelectronics NV	Registered Share	EUR	STMicroelectronics NV, 39, Chemin du Champ des Filles, CP 21 CH 1228 Plan-Les-Ouates, Geneva, Switzerland	NL0000226223	STM IM Equity	Borsa Italiana	Borsa Italiana
Stora Enso OYJ	Registered share	EUR	Stora Enso OYJ, Kanavaranta 1 P.O. Box 309, 00101 Helsinki, Finland	FI0009005961	STERV FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Stora Enso OYJ	Registered share	EUR	Stora Enso OYJ, Kanavaranta 1 P.O. Box 309, 00101 Helsinki, Finland	FI0009005953	STEAV FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Storebrand ASA	Registered share	NOK	Storebrand ASA, Filipstad Brygge 1 P.O. Box 1380 Vika, Oslo, 0114, Norway	N00003053605	STB NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
Straumann Holding AG	Registered share	CHF	Straumann Holding AG, Peter Merian-Weg 12, CH-4002 Basel	CH0012280076	STMN SW Equity	SIX Swiss Exchange	Eurex
Subsea 7 SA	Registered share	NOK	Subsea 7 Inc, Peregrine Road, Westhill Business Park, Aberdeenshire, EB326JL, United Kingdom	LU0075646355	SUBC NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
Suedzucker AG	Bearer share	EUR	Suedzucker AG, Maximilianstrasse 10, 68165 Mannheim, Germany	DE0007297004	SZU GY Equity	XETRA	Eurex
Sulzer AG	Registered share	CHF	Sulzer AG, Postfach 414, CH-8401 Winterthur	CH0038388911	SUN VX Equity	SIX Swiss Exchange	Eurex
Svenska Cellulosa AB	Registered share	SEK	Svenska Cellulosa AB, PO Box 200, SE-101 23, Stockhokm, Sweden	SE0000112724	SCAB SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Svenska Handelsbanken AB	Registered share	SEK	Svenska Handelsbanken AB, Kungstradgardsgatan 2, 106 70 Stockholm, Sweden	SE0000193120	SHBA SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Swedbank AB	Registered share	SEK	Swedbank AB, Brunkebergstrorg 8, 105 34 Stockholm, Sweden	SE0000242455	SWEDA SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Swedish Match AB	Registered share	SEK	Swedish Match AB, Rosenlundsgatan 36, Stockholm, 118 85, Sweden	SE0000310336	SWMA SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Swiss Life Holding AG	Registered share	CHF	Swiss Life Holding, General Guisan-Quai 40, CH-8022 Zürich	CH0014852781	SLHN VX Equity	SIX Swiss Exchange	Eurex
Swiss Re AG	Registered share	CHF	Swiss Re AG, Mythenquai 50/60, Postfach, CH-8022 Zürich	CH0126881561	SREN VX Equity	SIX Swiss Exchange	Eurex
Swisscom AG	Registered share	CHF	Swisscom AG, Alte Tiefenaustasse 6, CH-3048 Worblaufen	CH0008742519	SCMN VX Equity	SIX Swiss Exchange	Eurex

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
Syngenta AG	Registered share	CHF	Syngenta AG, Postfach, CH-4002 Basel	CH0011037469	SYNN VX Equity	SIX Swiss Exchange	Eurex
Talanx AG	Registered share	EUR	Talanx AG, Riethorst 2, 30659 Hannover, Germany	DE000TLX1005	TLX GY Equity	XETRA	Eurex
TDC A/S	Registered share	DKK	TDC A/S, Teglgolmsgade 1, 0900 København C, Denmark	DK0060228559	TDC DC Equity	Nasdaq OMX Copenhagen	Nasdaq OMX Stockholm
Tecan Group Ltd.	Registered share	CHF	Tecan Group Ltd., Seestrasse 103, CH-8708 Männedorf	CH0012100191	TECN SW Equity	SIX Swiss Exchange	Eurex
Tele2 AB	Registered share	SEK	Tele2 AB, Skeppsbron 18 Box 2094, Stockholm, 103 13, Sweden	SE0005190238	TEL2B SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Telecom Italia SpA	Registered share	EUR	Telecom Italia SpA, Piazza degli Affari 2, 20123 Milan, Italy	IT0003497168	TIT IM Equity	Borsa Italiana	Eurex
Telecom Italia SpA	Registered Share	EUR	Telecom Italia SpA, Piazza degli Affari 2, 20123 Milan, Italy	IT0003497168	TIT IM Equity	Borsa Italiana	Borsa Italiana
Telefonaktiebolaget LM Ericsson	Registered share	SEK	Telefonaktiebolaget LM Ericsson, Telefonvagen 30, S-126 25 Stockholm, Sweden	SE0000108656	ERICB SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Telefonica Deutschland Holding AG	Registered share	EUR	Telefonica Deutschland Holding AG, Georg-Brauchle-Ring 23-25, 80992 München, Germany	DE000A1J5RX9	02D GY Equity	XETRA	Eurex
Telefonica SA	Bearer share	EUR	Telefonica S.A., Calle Gran Via 28, ES-28013 Madrid	ES0178430E18	TEF SQ Equity	Mercado Continuo Espanol	Eurex
Telenor ASA	Registered share	NOK	Telenor ASA, Snarøyeveien 30, 1331 Fornebu, Norway	N00010063308	TEL NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
Telia Company AB	Registered share	SEK	Telia Company AB, Sturegatan 1, 106 63 Stockholm, SE – 106 6, Sweden	SE0000667925	TELIA SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Telia Company AB	Registered share	EUR	Telia Company AB, Sturegatan 1, 106 63 Stockholm, SE – 106 6, Sweden	SE0000667925	TELIA1 FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Temenos Group AG	Registered share	CHF	Temenos Group AG, 18 Place des Philosophes, CH-1205 Genève	CH0012453913	TEMN SW Equity	SIX Swiss Exchange	Eurex
Tenaris SA	Registered Share	EUR	Tenaris SA, 46a, Avenue John F Kennedy, L-1855 Luxembourg, Luxembourg	LU0156801721	TEN IM Equity	Borsa Italiana	Borsa Italiana

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
Terna Rete Elettrica Nazionale SpA	Registered Share	EUR	Terna Rete Elettrica Nazionale, Via Galbani 70, 00156 Rome, Italy	IT0003242622	TRN IM Equity	Borsa Italiana	Borsa Italiana
Tesla Motors Inc.	Registered share	USD	Tesla Motors Inc., 3500 Deer Creek Road, Palo Alto, CA 94304, USA	US88160R1014	TSLA UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
TGS Nopec Geo-physical Co ASA	Registered share	NOK	TGS NOPEC Geophysical Company ASA, Høgaloekkveien 13, Asker, 1383, Norway	NO0003078800	TGS NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
The Priceline Group Inc.	Registered share	USD	The Priceline Group Inc., 800 Connecticut Avenue, Norwalk, CT 06854, USA	US7415034039	PCLN UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
The Swatch Group AG	Bearer share	CHF	The Swatch Group AG, Seevorstadt 6, CH-2501 Biel	CH0012255151	UHR VX Equity	SIX Swiss Exchange	Eurex
ThyssenKrupp AG	Bearer share	EUR	ThyssenKrupp AG, August-Thyssen-Strasse 1, D-40211 Düsseldorf	DE0007500001	TKA GY Equity	XETRA	Eurex
Tod's SpA	Registered Share	EUR	Tod's SpA, Via F della Valle 1, 63019 Sant'Elpidio A Mare, Italy	IT0003007728	TOD IM Equity	Borsa Italiana	Borsa Italiana
Total SA	Bearer share	EUR	Total SA, 2 place de la Coupole, La Défense 6, F-92400 Courbevoie	FR0000120271	FP FP Equity	Euronext Paris	Eurex
Toyota Motor Corp.	Registered share	JPY	Toyota Motor Corporation, 1 Toyota-Cho, Toyota City, Aichi Prefecture 471-8571, Japan	JP3633400001	7203 JT Equity	Tokyo Stock Exchange	Osaka Securities Exchange
Transocean Ltd.	Registered share	CHF	Transocean Ltd, Turmstrasse 30, CH-6300 Zug	CH0048265513	RIGN VX Equity	SIX Swiss Exchange	Eurex
Trelleborg AB	Registered share	SEK	Trelleborg AB, P O Box 153, Johan Kocksgatan 10, Trelleborg, 231 22, Sweden	SE0000114837	TRELB SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
TripAdvisor Inc.	Registered share	USD	TripAdvisor Inc., 141 Needham Street, Newton, MA 02464, USA	US8969452015	TRIP UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
Tryg A/S	Registered share	DKK	Tryg A/S, Klausdalsbrovej 601, Ballerup, 2750, Denmark	DK0060013274	TRYG DC Equity	Nasdaq OMX Copenhagen	Nasdaq OMX Stockholm
Tui AG	Registered share	EUR	Tui AG, Karl-Wiechert-Allee 4, D- 30625 Hannover	DE000TUAG000	TUI1 GY Equity	XETRA	Eurex
Twitter Inc.	Registered share	USD	1355 Market Street, Suite 900, San Francisco, CA, United States	US90184L1026	TWTR UN Equity	NYSE	Chicago Board Options Exchange
UBI Banca ScpA	Registered Share	EUR	UBI Banca ScpA, Piazza Vittotio Veneto 8, Bergamo, 24122, Italy	IT0003487029	UBI IM Equity	Borsa Italiana	Borsa Italiana

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
UBS AG	Registered share	CHF	UBS AG, Postfach, CH-8098 Zürich / Postfach, CH-4002 Basel	CH0024899483	UBSN VX Equity	SIX Swiss Exchange	Eurex
UBS Group AG	Registered share	CHF	UBS Group AG, Bahnhofstr. 45, CH-8001 Zürich	CH0244767585	UBSG VX Equity	SIX Swiss Exchange	Eurex
UniCredit SpA	Registered share	EUR	UniCredit SpA, Piazza Cordusio, 20123 Milan, Italy	IT0004781412	UCG IM Equity	Borsa Italiana	Eurex
UniCredit SpA	Registered Share	EUR	UniCredit SpA, Piazza Cordusio, 20123 Milan, Italy	IT0004781412	UCG IM Equity	Borsa Italiana	Borsa Italiana
Unilever NV	Bearer share	EUR	Unilever NV, Weena 455, PO Box 760, NL-3000 DK Rotterdam	NL0000009355	UNA NA Equity	Euronext Amsterdam	Eurex
Union Pacific Corp.	Registered share	USD	Union Pacific Corp., 1400 Douglas Street, Omaha, NE 68179-1920, United States	US9078181081	UNP UN Equity	NYSE	Chicago Board Options Exchange
Unipol Gruppo Finanziario SpA	Registered Share	EUR	Unipol Gruppo Finanziario SpA, Via Stalingrado 45, 40128 Bologna, Italy	IT0004810054	UNI IM Equity	Borsa Italiana	Borsa Italiana
UnipolSai SpA	Registered Share	EUR	UnipolSai SpA, Piazza della Libertà, 6, 50129 Firenze, Italy	IT0004827447	US IM Equity	Borsa Italiana	Borsa Italiana
UPM-Kymmene OYJ	Registered share	EUR	UPM-Kymmene OYJ, Etelaesplanadi 2, PO Box 380, 00101 Helsinki, Finland	FI0009005987	UPM1V FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Valmet OYJ	Registered share	EUR	Valmet OYJ, Keilasatama 5/ PO Box 11, 02150 Espoo, Finland	FI4000074984	VALMT FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Valora Holding AG	Registered share	CHF	Valora Holding AG, Hofackerstrasse 40, 4132 MuttENZ	CH0002088976	VALN SW Equity	SIX Swiss Exchange	Eurex
Veolia Environnement	Bearer share	EUR	Veolia Environnement, 36-38 avenue Kléber, F-75116 Paris Cedex	FR0000124141	VIE FP Equity	Euronext Paris	Eurex
Vinci SA	Bearer share	EUR	Vinci SA, 1, cours Ferdinand de Lesseps, F-92851 Reuil-Malmaison Cedex	FR0000125486	DG FP Equity	Euronext Paris	Eurex
Visa Inc.	Registered share	USD	Visa Inc, PO Box 8999, San Francisco, CA 94128, USA	US92826C8394	V UN Equity	NYSE	Chicago Board Options Exchange
Vivendi SA	Bearer share	EUR	Vivendi, 42 avenue de Friedland, 75380 Paris Cedex 08, France	FR0000127771	VIV FP Equity	Euronext Paris	Eurex
Vodafone Group PLC	Registered share	GBP	Vodafone Group PLC, Vodafone House, The Connection, Newbury, RG14 2FN, United Kingdom	GB00BH4HKS39	VOD LN Equity	London Stock Exchange	Eurex

Name	Type	Currency	Company	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
Volkswagen AG	Preference share	EUR	Volkswagen AG, Berliner Ring 2, D-38440 Wolfsburg	DE0007664039	VOW3 GY Equity	XETRA	Eurex
Volvo AB	Registered share	SEK	Volvo AB, 405 08 Gothenburg, Sweden	SE0000115446	VOLVB SS Equity	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
Vonovia SE	Registered share	EUR	Vonovia SE, Philippstrasse 3, 44803 Bochum, Germany	DE000A1ML7J1	VNA GY Equity	XETRA	Eurex
Vontobel Holding AG	Registered share	CHF	Vontobel Holding AG, Gotthardstrasse 44, CH-8022 Zürich	CH0012335540	VONN SW Equity	SIX Swiss Exchange	Eurex
Wartsila OYJ	Registered share	EUR	Wartsila OYJ, John Stenbergin Ranta 2, PO Box 196, 00531 Helsinki, Finland	FI0009003727	WRT1V FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Weatherford International Ltd	Registered share	CHF	Weatherford International Ltd, 4-6 Rue Jean-Francois, 1204 Geneva, Switzerland	CH0038838394	WFT SW Equity	SIX Swiss Exchange	Eurex
Whole Foods Market, Inc	Registered share	USD	Whole Foods Market, Inc, 550 Bowie Street, AUSTIN, TX 78703-4644, USA	US9668371068	WFM UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
Wirecard AG	Bearer share	EUR	Wirecard AG, Einsteinring 35, 85609 Aschheim, Germany	DE0007472060	WDI GY Equity	XETRA	Eurex
Yahoo! Inc.	Registered share	USD	Yahoo! Inc., 701 First Avenue, Sunnyvale, CA 94089, USA	US9843321061	YH00 UW Equity	Nasdaq Global Select Market	Chicago Board Options Exchange
Yara International ASA	Registered share	NOK	Yara International ASA, Bygdoy alle 2, 0202 Oslo, Norway	N00010208051	YAR NO Equity	Oslo Stock Exchange	Oslo Stock Exchange
YIT OYJ	Registered share	EUR	YIT OYJ, P.O. Box 36 Panuntie 11, 00621 Helsinki, Finland	FI0009800643	YTY1V FH Equity	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
Yoox Net-A-Porter Group SpA	Registered Share	EUR	Yoox Net-A-Porter Group SpA, Via Morimondo 17, Milano, 20143, Italy	IT0003540470	YNAP IM Equity	Borsa Italiana	Borsa Italiana
Zalando SE	Bearer share	EUR	Zalando SE, Tamara-Danz-Straße 1, 10243 Berlin	DE000ZAL1111	ZAL GY Equity	XETRA	Eurex
Zurich Insurance Group Ltd.	Registered share	CHF	Zurich Insurance Group, Mythenquai 2, CH-8022 Zürich	CH0011075394	ZURN VX Equity	SIX Swiss Exchange	Eurex

2. Factor Indices linked to indices

2.1 Index description

[

Index name: [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]X [Long] [Short] Index linked to [insert name of the Reference Instrument in accordance with the Reference Instrument List in section IX.2.2] (the "Factor Index")

Reference Instrument: [insert name of the Reference Instrument in accordance with the Reference Instrument List in section IX.2.2]

Index Calculation Agent: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland

Information Page: <https://indices.vontobel.com> [and Reuters page [screen page]] [and [insert other information page, if any: •]]

The composition and calculation of the *Factor Index* specified above is described in the following. The *Index Calculation Agent* will make an index guide available on the *Information Page* for each *Factor Index*, containing this description together with the stipulations in the Final Terms. The index guide constitutes the basis for calculating and publishing the *Factor Index*.

A) Index description

[for Long Factor Indices: The *Factor Index* reflects price movements of the *Reference Instrument* with a leverage factor of [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]. An increase in the price of the *Reference Instrument* since the most recent calculation of an *Index Closing Value* results in a positive change of the *Factor Index* as compared to the previous price of the *Factor Index* and vice versa. The *Factor Index* therefore reflects a "long" strategy.

The *Factor Index* consists of a leverage component and a financing component.

Leverage component

The leverage component tracks an investment in the *Reference Instrument* (or its constituents and in accordance with its rules and regulations), whereby movements in the price of the *Reference Instrument* are multiplied by the *Leverage* (Factor). This leverage effect occurs with either positive or negative movements in the price of the *Reference Instrument*, having a disproportionate effect on the value of the *Factor Index*.

For example (leaving aside the financing component):

1. An increase in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in an increase in the *Factor Index* by [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] x 2%;
2. A decrease in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in a decrease in the *Factor Index* by [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] x 2%.

Financing component

The financing component tracks the capital costs that would be incurred to finance the corresponding investment in the *Reference Instrument* (or constituents thereof). Additionally, a fee

charged by the *Index Calculation Agent* for the calculation and administration of the *Factor Index* is added (*Index Fee*).

The financing component therefore reduces the value of the *Factor Index*.]

[for Short Factor Indices: The *Factor Index* reflects price movements in the *Reference Instrument* with a leverage factor of [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]. A decrease in the price of the *Reference Instrument* since the most recent calculation of an *Index Closing Value* results in a positive change in the *Factor Index* as compared to the previous price of the *Factor Index* and vice versa. The *Factor Index* therefore replicates a "short" strategy.

The *Factor Index* consists of a leverage component and a financing component.

Leverage component

The leverage component inversely tracks an investment in the *Reference Instrument* (or its constituents and in accordance with its rules and regulations), whereby movements in the price of the *Reference Instrument* are multiplied by the *Leverage* (Factor). This leverage effect occurs with either positive or negative movements in the price of the *Reference Instrument*, having a disproportionate effect on the value of the *Factor Index*.

For example (leaving aside the financing component):

1. An increase in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in an decrease in the *Factor Index* by [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] x 2%;
2. A decrease in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in an increase in the *Factor Index* by [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] x 2%.

Financing component

The financing component reflects the expenses and earnings that would arise from acquiring the *Reference Instrument* (or its constituents), selling it and investing the proceeds at the risk-free rate. Additionally, a fee charged by the *Index Calculation Agent* for the calculation and administration of the *Factor Index* is added (*Index Fee* which reduces the value of the index).

If the acquisition costs and the *Index Fee* exceed the interest income based on the relevant *Interest Rate* on a particular day, the value of the *Factor Index* is reduced on such day.]

B) Index definitions

The definitions below shall apply for the purposes of this index description.

"**Adjustment Date**" means [the first] [the last] [each] Index Calculation Day of [each] [a] calendar month.

"**Extraordinary Adjustment Event**" means any of the following events as they relate to the *Reference Instrument*:

- (a) Change, adjustment or other measure affecting the relevant concept and the calculation of the *Reference Instrument*, resulting, in the reasonable discretion of the *Index Calculation Agent*, in the relevant concept or the relevant calculation of the *Reference Instrument* no longer being comparable to those applicable on the *Index Start Date*.

These factors are no longer comparable if, in particular, a change, adjustment or other measure results in a material change in the *Reference Instrument* despite the fact that the prices of the individual securities included in the *Reference Instrument* and their weightings remain the same.

- (b) Cancellation of the *Reference Instrument* and/or replacement by a different index concept; or
- (c) any other event which in the reasonable discretion of the *Index Calculation Agent* would have a comparable or similar impact on the calculation of the *Factor Index* in the event that no adjustment were to be made.

"Valuation Price" of the *Reference Instrument* for an *Index Calculation Day* means – subject to an *Extraordinary Adjustment* of the index calculation pursuant to section D) – the [opening] [closing] price of the *Reference Instrument*, as determined and published for that day by the *Reference Exchange*. If an *Index Calculation Day* falls on a day which is not a *Trading Day*, the *Valuation Price* of the immediately preceding *Index Calculation Day* shall continue to apply. If no *Valuation Price* for the *Reference Instrument* is determined or published on a *Trading Day*, the *Index Calculation Agent* shall determine the *Valuation Price* of the *Reference Instrument* for that day on the basis of the most recent prices set for the *Reference Instrument* in its due discretion.

[insert in the case of price indices as the *Reference Instrument*:

"Dividend Method" is either *individual* or *smoothed* (as described below).

In case of the **"individual"** *Dividend Method* the distributions of the constituents of the *Reference Instrument* are included in the index calculation individually. The relevant **"Dividend"** for the index calculation pursuant to section C) corresponds to the dividend of the company, exclusive of which a constituent of the *Reference Instrument* is traded on the *Ex-Dividend Date* on the *Trading Facility* which is – according to the *Reference Exchange's* concept – relevant for the calculation of the *Reference Instrument* (**"Trading Facility"**). For this purpose, the *Index Calculation Agent* takes into account the weighting of the respective constituent in the *Reference Instrument*. **"Ex-Dividend Date"** means the *Index Calculation Day* on which the respective constituent of the *Reference Instrument* trades "ex-dividend" on the *Trading Facility* for the first time.

In case of a **"flattened"** *Dividend Method* the distributions of the constituents of the *Reference Instrument* are not included in the index calculation individually. Instead, they are considered by means of a flattened amount which is taken into account for the index calculation on a continuous basis. Accordingly, the relevant **"Dividend"** for the index calculation pursuant to section C) in the case of this *Dividend Method* corresponds to an amount which is determined by the *Index Calculation Agent* in its reasonable discretion in order to reflect the expected distributions of the constituents of the *Reference Instrument* in the calculation of the index on each *Index Calculation Day* on a pro rata basis. For this purpose, the *Index Calculation Agent* particularly considers its dividend expectations (in relation to the constituents of the *Reference Instrument*) for up to the next three months following the respective *Index Calculation Day*. The *Index Calculation Agent* may adjust such *Dividend* in its reasonable discretion on any *Index Calculation Day*, particularly in the event of alternating dividend expectations.

On the *Index Start Date* the [individual] [smoothed] *Dividend Method* is applicable. The *Index Calculation Agent* is entitled to change the *Dividend Method* on each *Adjustment Date*. The revised *Dividend Method* shall take effect immediately as from the relevant *Adjustment Date*. A change in the *Dividend Method* shall be published by the *Index Calculation Agent* in accordance with section E).

"Dividend Tax Factor" is [1.0] [0.95] [0.9] [0.85] [0.8] [0.75] [0.7] [0.65] [0.6] [0.5] on the *Index Start Date*. The *Index Calculation Agent* may change the *Dividend Tax Factor* in its reasonable discretion on any *Index Calculation Day* with prospective effect, if the tax laws applicable to the *Index Calculation Agent* change, resulting in a change in the amount of the – after tax – *Dividend* virtually accruing to it.

]

"Financing Spread"

[for *Long Factor Indices*: represents (in the form of a premium over the relevant *Interest Rate*) the financing costs which may be incurred if the long strategy tracked by the *Factor Index* is financed with debt.]

[for *Short Factor Indices*: reflects the current annual cost on an *Index Calculation Day* of acquiring the *Reference Instrument* (or its constituents) via a securities lending and repurchase ("repo") transaction.]

The *Financing Spread* on the *Index Start Date* corresponds to the *Initial Financing Spread*. The *Index Calculation Agent* then adjusts the **"Current Financing Spread"** in its due discretion on each *Adjustment Date* to reflect current market conditions and publishes it in accordance with section E) of this index description. The adjusted *Financing Spread* shall apply immediately as from the relevant *Adjustment Date*.

"Initial Financing Spread" is [0.1] [0.2] [0.25] [0.3] [0.4] [0.5] [0.6] [0.7] [0.75] [0.8] [0.9] [1.0] [1.1] [1.2] [1.25] [1.3] [1.4] [1.5] [1.75] [2.0] [2.25] [2.5] [2.75] [3.0] [3.25] [3.5] [3.75] [4.0] [4.25] [4.5] [4.75] [5.0] [5.5] [6.0] [6.5] [7.0] [7.5] [8.0] [8.5] [9.0] [9.5] [10] [11] [12] [13] [14] [15]% per annum.

"Trading Day" means every day on which the *Reference Instrument* is calculated by the *Reference Exchange*.

"Leverage" is [for *Short Factor Indices*: -][2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]. It describes the impact that a change in the price of the *Reference Instrument* has on the relevant *Factor Index*. [for *Short Indices*: The negative sign for the *Leverage* indicates that the *Short Factor Index* participates inversely in, i.e. in the opposite of, the performance of the *Reference Instrument*.]

"Index Calculation Agent" means Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland.

"Index Calculation Day" means every day from Monday to Friday.

"Index Fee" means [0.1] [0.2] [0.3] [0.4] [0.5] [0.6] [0.7] [0.8] [0.9] [1.0] [1.1] [1.2] [1.3] [1.4] [1.5] [1.75] [2.0] [2.25] [2.5] [2.75] [3.0] [3.25] [3.5] [3.75] [4.0] [4.25] [4.5] [4.75] [5.0]% per annum. The *Index Fee* is charged each calendar day, beginning as of the *Index Start Date*. It is calculated on the basis of a 360-day year and the most recently calculated *Index Closing Value*.

"Index Closing Value" is calculated for each *Index Calculation Day* by the *Index Calculation Agent* in accordance with section C) 1) of this index description on the basis of the *Valuation Price* of the *Reference Instrument* for this *Index Calculation Day* and published in accordance with section E) of this index description.

"Index Start Date" means [1] [2] [3] [4] [5] [6] [7] [8] [9] [10] [11] [12] [13] [14] [15] [16] [17] [18] [19] [20] [21] [22] [23] [24] [25] [26] [27] [28] [29] [30] [31] [January] [February] [March] [April] [May] [June] [July] [August] [September] [October] [November] [December] [2014] [2015] [2016] [2017] [2018] [2019] [2020].

"Index Start Value" is [10] [100] [1,000] [10,000] index points and represents the Index Closing Value on Index Calculation Day T=0 for the purposes of calculating the index in accordance with C).

"Index Currency" means [EUR][USD][CHF][JPY][HKD][SGD][GBP][NOK][SEK][AUD][DKK].

"Information Page" means <https://indices.vontobel.com>.

"Reference Instrument Price" corresponds at any time during the calculation period of the *Reference Instrument* to the [rate] [level] [price] of the *Reference Instrument*, as calculated by the *Reference Exchange* [and determined by the *Index Calculation Agent*].

"Reference Exchange" means [insert the relevant Calculation Agent for the Reference Instrument in accordance with the Reference Instrument List in section IX.2.2].

"Reference Instrument" means [insert name in accordance with the Reference Instrument List in section IX.2.2].

Index type: [insert type in accordance with the Reference Instrument List in section IX.2.2]

Currency: [insert currency in accordance with the Reference Instrument List in section IX.2.2]

ISIN: [insert ISIN in accordance with the Reference Instrument List in section IX.2.2]

Bloomberg symbol: [insert Bloomberg symbol in accordance with the Reference Instrument List in section IX.2.2]

"Barrier" is [2][3][4][5][6][7][8][9][10][12][14][15][17][19][20][21][22][23][24][25][26][27][28][29][30][31][33][35][40][42][45][47][48]%. It indicates the maximum permitted [for Long Factor Indices: negative] [for Short Factor Indices: positive] change in price of the *Reference Instrument* compared to its most recent *Valuation Price* before an *Intraday Index Adjustment* takes place.

"Derivatives Exchange" means [insert Derivatives Exchange in accordance with the Reference Instrument List in section IX.2.2].

"Interest Rate" means

[EONIA.

EONIA (Euro Over Night Index Average) is a weighted average interest rate for overnight interbank money calculated act/360 by the European Central Bank since 4 January 1999 on the basis of effective turnover.]

[EUR 1M-EURIBOR.

EURIBOR means Euro Interbank Offered Rate. The EURIBOR is a reference interest rate for the term deposits in EUR in the interbank market. It is sponsored by the associations European Money Markets Institute (EMMI) and Euribor ACI. A representative selection of 24 international banks provide, on a daily basis, the interbank interest rates for term deposits in EUR for terms of 1 week, 2 weeks, 1 month, 2, 3, 6, 9 and 12 months (EUR 1M-EURIBOR signifies a 1-month term).]

[[EUR] [CHF] [USD] [JPY] [GBP] [1W-] [1M-] LIBOR [O/N (overnight)].

LIBOR stands for London InterBank Offered Rate. LIBOR is an average interest rate based on information submitted by the contributing banks. The panel banks indicate the interest rates at which they are able to refinance their own interbank activities in the relevant currency for the relevant term on an unsecured basis. To calculate the reference interest rate, the highest and lowest quartiles of these interest rates are eliminated, and the remaining interest rates

are averaged. LIBOR is calculated for 7 different terms and 5 different currencies. The LIBOR interest rates (ICE Libor) are administered by ICE Benchmark Administration Limited (IBA) and determined each business day at 11 a.m. (London time). [1W-] [1M-] LIBOR [O/N (overnight)] stands for terms of 1 [week] [month] [day].]

[[1W-] [1M-] HIBOR [O/N (overnight)]].

HIBOR stands for Hong Kong Interbank Offered Rate and is set each business day. HIBOR is a Hong Kong dollar interbank interest rate set by the Hong Kong Bankers' Association, based on estimates by 20 banks (panel banks) appointed by the Hong Kong Bankers' Association. The panel banks estimate the interest rates at which another major bank is able to refinance its interbank activities in Hong Kong dollars for the relevant term. [1W-] [1M-] HIBOR [O/N (overnight)] stands for terms of 1 [week] [month] [day].]

[[1W-] [1M-] SGD SIBOR [O/N (overnight)]].

SGD SIBOR stands for Singapore Interbank Offered Rate and is set each business day. It is a Singapore dollar interbank interest rate set by the ABS (Association of Banks in Singapore), based on information provided by participating banks (panel banks). The panel banks indicate the interest rates at which they are able to refinance their own interbank activities in Singapore dollars for the relevant term. [1W-] [1M-] SGD SIBOR [O/N (overnight)] stands for terms of 1 [week] [month] [day].]

[STIBOR T/N (Tomorrow/Next)].

STIBOR T/N stands for Stockholm Interbank Offered Rate Overnight and is set each business day in Sweden at 11:00 a.m. (CET). It is a Swedish kronor interbank interest rate at which banks selected by the Svenska Bankföreningen (Swedish Bankers' Association) are prepared to lend Swedish kronor to each other for a term of one day.]

[NOWA.

The NOWA rate (Norwegian Overnight Weighted Average) is set each business day in Norway. It is an overnight interest rate for interbank business in Norwegian kroner set by Norges Bank (the Norwegian Central Bank) as a weighted average of all overnight transactions reported by the NOWA panel banks. It is the rate at which the banks are prepared to lend Norwegian kroner to each other for a term of one day.]

[DKK T/N.

The DKK T/N (Tomorrow/ Next) interest rate is an uncollateralised day-to-day interest rate for money-market lending calculated and published by Danmarks Nationalbank. The T/N market comprises lending starting on the first banking day after the transaction date and expiring on the second banking day after the transaction date. Calculation of the T/N interest rate is based on daily reports from the largest banks in the Danish money market. It is calculated as a turnover-weighted average of interest rates on actual lending. The Danish Bankers Association has the overall responsibility of the T/N interest rate.]

If the *Interest Rate* is not set or published on an *Index Calculation Day*, the *Interest Rate* applied on the immediately preceding *Index Calculation Day* is used to calculate the index in accordance with section C).

If the *Interest Rate* has neither been set nor published for ten consecutive *Index Calculation Days*, the *Index Calculation Agent* has the right and obligation to stipulate in its reasonable discretion an alternative relevant *Interest Rate* which has functions comparable to the previous *Interest Rate*.

C) Index calculation

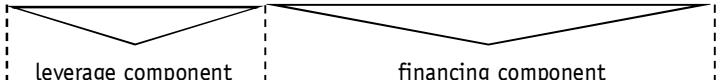
The *Factor Index* shall be calculated for the first time on the *Index Start Date*. The initial level of the index on the *Index Start Date* corresponds to the *Index Start Value*. The respective current index level is calculated by the *Index Calculation Agent* on a continuous basis during the trading period of the *Reference Instrument* on the *Reference Exchange* on each *Index Calculation Day*, rounded to two decimal places and published in accordance with section E).

One index point corresponds to one unit of the *Index Currency*.

C) 1) Index formula

The *Factor Index* is calculated for each time *t* during an *Index Calculation Day T* in accordance with the following formula:

[for Long Factor Indices with a performance index as the Reference Instrument:


$$IDX_t = IDX_{T-1} \times \left\{ 1 + L \times \left(\frac{R_t}{R_{T-1}} - 1 \right) - [(L-1) \times (IR_{T-1} + FS_T) + IG] \times \frac{d}{360} \right\}$$


where:

- T = current Index Calculation Day
- IDX_t = Index Value at time *t* on Index Calculation Day T
- IDX_{T-1} = Index Closing Value on Index Calculation Day T-1 which immediately precedes the current Index Calculation Day T
- L = Leverage (Factor): [insert Leverage in accordance with B)]
- R_t = Reference Instrument Price at time *t*
- R_{T-1} = Valuation Price on Index Calculation Day T-1
- IR_{T-1} = Interest Rate on Index Calculation Day T-1
- FS_T = Financing Spread on Index Calculation Day T
- IG = Index Fee
- d = Number of calendar days between Index Calculation Days T-1 and T

]

[for Long Factor Indices with a price index as the Reference Instrument:

$$IDX_t = IDX_{T-1} \times \left\{ 1 + L \times \left(\frac{R_t + divf \times div}{R_{T-1}} - 1 \right) - [(L-1) \times (IR_{T-1} + FS_T) + IG] \times \frac{d}{360} \right\}$$


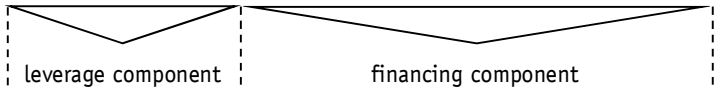
where:

- T = current Index Calculation Day
- IDX_t = Index Value at time *t* on Index Calculation Day T
- IDX_{T-1} = Index Closing Value on Index Calculation Day T-1 which immediately precedes the current Index Calculation Day T
- L = Leverage (Factor): [insert Leverage in accordance with B)]
- R_t = Reference Instrument Price at time *t*

R_{T-1}	=	Valuation Price on Index Calculation Day T-1
divf	=	Dividend Tax Factor
div	=	Dividend on Index Calculation Day T. If the individual Dividend Method is used this amount is 0, except on the Ex-Dividend Date.
IR_{T-1}	=	Interest Rate on Index Calculation Day T-1
FS_T	=	Financing Spread on Index Calculation Day T
IG	=	Index Fee
d	=	Number of calendar days between Index Calculation Days T-1 and T

]

[for Short Factor Indices with a performance index as the Reference Instrument:

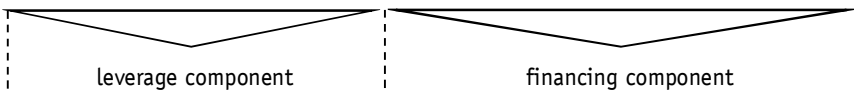
$$IDX_t = IDX_{T-1} \times \left\{ 1 + L \times \left(\frac{R_t}{R_{T-1}} - 1 \right) + [(1-L) \times IR_{T-1} + L \times FS_T - IG] \times \frac{d}{360} \right\}$$


where:

T	=	current Index Calculation Day
IDX_t	=	Index Value at time t on Index Calculation Day T
IDX_{T-1}	=	Index Closing Value on Index Calculation Day T-1 which immediately precedes the current Index Calculation Day T
L	=	Leverage (Factor): <i>[insert Leverage in accordance with B)]</i>
R_t	=	Reference Instrument Price at time t
R_{T-1}	=	Valuation Price on Index Calculation Day T-1
IR_{T-1}	=	Interest Rate on Index Calculation Day T-1
FS_T	=	Financing Spread on Index Calculation Day T
IG	=	Index Fee
d	=	Number of calendar days between Index Calculation Days T-1 and T

]

[for Short Factor Indices with a price index as the Reference Instrument:

$$IDX_t = IDX_{T-1} \times \left\{ 1 + L \times \left(\frac{R_t + \text{divf} \times \text{div}}{R_{T-1}} - 1 \right) + [(1-L) \times IR_{T-1} + L \times FS_T - IG] \times \frac{d}{360} \right\}$$


where:

T	=	current Index Calculation Day
IDX_t	=	Index Value at time t on Index Calculation Day T
IDX_{T-1}	=	Index Closing Value on Index Calculation Day T-1 which immediately precedes the current Index Calculation Day T
L	=	Leverage (Factor): <i>[insert Leverage in accordance with B)]</i>
R_t	=	Reference Instrument Price at time t
R_{T-1}	=	Valuation Price on Index Calculation Day T-1
divf	=	Dividend Tax Factor
div	=	Dividend on Index Calculation Day T. If the individual Dividend Method is used this amount is 0, except on the Ex-Dividend Date.
IR_{T-1}	=	Interest Rate on Index Calculation Day T-1

FS_T	=	Financing Spread on Index Calculation Day T
IG	=	Index Fee
d	=	Number of calendar days between Index Calculation Days T-1 and T

]

C) 2) Intraday Index Adjustment

[for Long Factor Indices with a performance index as the Reference Instrument:]

If at time s on *Index Calculation Day T* the *Reference Instrument Price* falls below the most recent *Valuation Price* of the *Reference Instrument* by more than $[insert\ Barrier\ in\ accordance\ with\ B)]\%$ (*Barrier*), an "**Intraday Index Adjustment**" takes place, simulating a new day:

$$\begin{aligned} s &= T, \text{ i.e. } IDX_{T-1}(\text{new}) = IDX_s \\ R_{T-1}(\text{new}) &= R_{T-1}(\text{old}) \times [insert\ difference\ between\ 1\ and\ the\ Barrier\ in\ accordance\ with\ B)] \\ d &= 0 \end{aligned}$$

A new *Valuation Price* valid after time s ($R_{T-1}(\text{new})$) is calculated by multiplying the previous *Valuation Price* ($R_{T-1}(\text{old})$) by $[insert\ difference\ between\ 1\ and\ the\ Barrier\ in\ accordance\ with\ B)]$. The *financing component* remains unchanged. No additional interest or costs are incurred for the newly simulated day.]

[for Long Factor Indices with a price index as the Reference Instrument:]

If at time s on *Index Calculation Day T* the *Reference Instrument Price* [(plus any *Dividend* multiplied by the *Dividend Tax Factor*: $R_s + divf \times div$)] falls below the most recent *Valuation Price* of the *Reference Instrument* by more than $[insert\ Barrier\ in\ accordance\ with\ B)]\%$ (*Barrier*), an "**Intraday Index Adjustment**" takes place, simulating a new day:

$$\begin{aligned} s &= T, \text{ i.e. } IDX_{T-1}(\text{new}) = IDX_s \\ R_{T-1}(\text{new}) &= R_{T-1}(\text{old}) \times [insert\ difference\ between\ 1\ and\ the\ Barrier\ in\ accordance\ with\ B)] - divf \times div \\ d &= 0 \end{aligned}$$

A new *Valuation Price* valid after time s ($R_{T-1}(\text{new})$) is calculated by multiplying the previous *Valuation Price* ($R_{T-1}(\text{old})$) by $[insert\ difference\ between\ 1\ and\ the\ Barrier\ in\ accordance\ with\ B)]$.

In addition, the net dividend shall be deducted (in case of the *individual Dividend Method* only if the *Index Calculation Day T* is an *Ex-Dividend Date*). *Dividend* and *Dividend Tax Factor* shall not be considered in the index calculation in section C) 1) on such simulated *Index Calculation Day*.

The *financing component* remains unchanged. No additional interest or costs are incurred for the newly simulated day.]

[for Short Factor Indices with a performance index as the Reference Instrument:]

If at time s on *Index Calculation Day T* the *Reference Instrument Price* exceeds the most recent *Valuation Price* of the *Reference Instrument* by more than $[insert\ Barrier\ in\ accordance\ with\ B)]\%$ (*Barrier*), an "**Intraday Index Adjustment**" takes place, simulating a new day:

$$\begin{aligned} s &= T, \text{ i.e. } IDX_{T-1}(\text{new}) = IDX_s \\ R_{T-1}(\text{new}) &= R_{T-1}(\text{old}) \times [insert\ total\ of\ 1\ and\ the\ Barrier\ in\ accordance\ with\ B)] \\ d &= 0 \end{aligned}$$

A new *Valuation Price* valid after time s ($R_{T-1}(\text{new})$) is calculated by multiplying the previous *Valuation Price* ($R_{T-1}(\text{old})$) by $[insert\ total\ of\ 1\ and\ the\ Barrier\ in\ accordance\ with\ B)]$. The

financing component remains unchanged. No additional costs are incurred for the newly simulated day.]

[for Short Factor Indices with a price index as the Reference Instrument:

If at time s on *Index Calculation Day T* the *Reference Instrument Price* [(plus any *Dividend* multiplied by the *Dividend Tax Factor*: $R_s + \text{divf} \times \text{div}$)] exceeds the most recent *Valuation Price* of the *Reference Instrument* by more than [insert Barrier in accordance with B)]% (*Barrier*), an "**Intraday Index Adjustment**" takes place, simulating a new day:

$$\begin{aligned} s &= T, \text{ i.e. } \text{IDX}_{T-1}(\text{new}) = \text{IDX}_s \\ R_{T-1}(\text{new}) &= R_{T-1}(\text{old}) \times [\text{insert total of 1 and the Barrier in accordance with B}] - \text{divf} \times \text{div} \\ d &= 0 \end{aligned}$$

A new *Valuation Price* valid after time s ($R_{T-1}(\text{new})$) is calculated by multiplying the previous *Valuation Price* ($R_{T-1}(\text{old})$) by [insert total of 1 and the Barrier in accordance with B)].

In addition, the net dividend is deducted (in the case of the *individual Dividend Method*, only if *Index Calculation Day T* is an *Ex-Dividend Date*). The *Dividend* and *Dividend Tax Factor* are no longer taken into account for the purposes of the index calculation in accordance with section C) 1) on the new, simulated *Index Calculation Day*.

The *financing component* remains unchanged. No additional costs are incurred for the newly simulated day.]

D) Extraordinary adjustment of the index calculation

In the event of an *Extraordinary Adjustment Event* occurring in relation to the *Reference Instrument*, the *Index Calculation Agent* will adjust the index calculation on the *Reference Date* (as defined below). The *Index Calculation Agent* will – to the extent possible – endeavor to calculate the *leverage component* as if no *Extraordinary Adjustment Event* had occurred.

The *Index Calculation Agent* will generally adjust the index calculation by correcting in its due discretion the relevant *Valuation Price* for the *Reference Instrument* on *Index Calculation Day T-1* on the *Reference Date*, in order to factor into the index calculation the adjustments made on the *Derivatives Exchange* for futures and options linked to the *Reference Instrument* traded there.

The *Index Calculation Agent* may adjust the index calculation in some other manner if it deems such adjustment necessary in its due discretion in order to reflect differences between this Index and the futures and options traded on the *Derivatives Exchange*. Such adjustments may in particular relate to the stipulation of a different *Reference Exchange*, *Derivatives Exchange* or *Reference Instrument Price*.

The list of *Extraordinary Adjustment Events* listed in section B) is not exhaustive. The deciding factor is whether the *Derivatives Exchange* deems an adjustments of the contract size, an underlying or the involvement of relevant *Reference Exchange* determining the price of the *Reference Instrument* to be necessary. If neither futures nor options linked to the *Reference Instrument* are traded on the *Derivatives Exchange*, the adjustment shall be made in a manner in which the *Derivatives Exchange* would do so if corresponding futures or options were traded there. In cases of doubt about the application of the modification rules of the *Derivatives Exchange*, the *Index Calculation Agent* shall decide such questions in its reasonable discretion. The rules and regulations of the *Derivatives Exchange* shall apply in addition to the provisions set out above.

If the *Reference Instrument* (Index) is cancelled or replaced by a different index concept, or if the license agreement between the *Reference Exchange* and the *Index Calculation Agent* cannot be renewed, the *Index Calculation Agent* determines – where appropriate by applying an adjusted

Reference Instrument Price for the *Reference Instrument* at time t (R_t) – whether and which different index concept will be used in the future as a basis for calculating the *Factor Index*.

If the *Reference Instrument* is no longer calculated and determined and/or published by the *Reference Exchange* but by another person, company or institution that the *Index Calculation Agent* in its reasonable discretion considers to be suitable ("**Substitute Reference Exchange**"), then the *Factor Index* shall be calculated where applicable on the basis of the *Reference Instrument* calculated and published by the *Substitute Reference Exchange*. All references to the *Reference Exchange* contained in this index description shall be deemed to refer analogously to the *Substitute Reference Exchange*.

If in the reasonable discretion of the *Index Calculation Agent* it is not possible, for whatever reason, to stipulate a different relevant index concept, the leverage component shall remain unchanged and the index level shall be determined solely on the basis of the remaining components of the index formula.

"**Reference Date**" within the meaning of this index description is the first *Index Calculation Day*, on which the relevant futures or options are traded on the *Derivatives Exchange* after taking the adjustment into account, or would be so traded if corresponding futures or options were traded on the *Derivatives Exchange*.

Adjustments to the *Factor Index* and all further measures set forth in this section will be announced by the *Index Calculation Agent* in accordance with section E).

E) Notices

All notices pertaining to the *Factor Index* will be published on the *Information Page*. Such notices shall be deemed to have been given on the date on which they are first published.

Notices are made for informational purposes only and do not represent a precondition for legal effectiveness.

]

2.2 Reference Instrument List (indices)

Index name	Index type	Currency	ISIN	Bloomberg	Reference Exchange	Derivatives Exchange
DAX®	Performance index	EUR	DE0008469008	DAX Index	Deutsche Börse	Eurex
Dow Jones Industrial Average	Price index	USD	US2605661048	INDU Index	S&P Dow Jones Indices LLC	Chicago Board Options Exchange
EURO STOXX 50® Index	Price index	EUR	EU0009658145	SX5E Index	Stoxx Limited	Eurex
EURO STOXX® Banks Index	Price index	EUR	EU0009658426	SX7E Index	STOXX Limited	Eurex
FTSE MIB Index	Price index	EUR	IT0003465736	FTSEMIB Index	Borsa Italiana	Borsa Italiana
FTSE 100® Index	Price index	GBP	GB0001383545	UKX Index	London Stock Exchange	IntercontinentalExchange (ICE)
Hang Seng China Enterprises Index	Price index	HKD	HK0000004330	HSCEI Index	Hang Seng Indexes Company Limited	Hong Kong Futures Exchange Limited
Hang Seng Index	Price index	HKD	HK0000004322	HSI Index	Hang Seng Indexes Company Limited	Hong Kong Futures Exchange Limited
MDAX®	Performance index	EUR	DE0008467416	MDAX Index	Deutsche Börse	Eurex
Nasdaq-100 Index®	Price index	USD	US6311011026	NDX Index	The NASDAQ OMX Group, Inc.	Chicago Board Options Exchange
Nikkei 225 Index	Price index	JPY	JP9010C00002	NKY Index	Nikkei Inc.	Osaka Securities Exchange
OMX Helsinki 25 Index	Price index	EUR	FI0008900212	OMXH25 Index	Nasdaq OMX Helsinki	Nasdaq OMX Stockholm
OMX Stockholm 30 Index	Price index	SEK	SE0000337842	OMX Index	Nasdaq OMX Stockholm	Nasdaq OMX Stockholm
SMI® (Swiss Market Index)	Price index	CHF	CH0009980894	SMI Index	SIX Swiss Exchange	Eurex
SMIM® (Swiss Market Mid Caps Price Index)	Price index	CHF	CH0019399838	SMI Index	SIX Swiss Exchange	Eurex
Standard & Poors 500® Index	Price index	USD	US78378X1072	SPX Index	S&P Dow Jones Indices LLC	Chicago Board Options Exchange
XDAXDAX®	Performance index	EUR	DE000A169S86	XDAXDAX Index	Deutsche Börse	Eurex

3. Factor Indices linked to exchange rates

3.1 Index description

[

Index name: [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]X [Long] [Short] Index linked to [insert name of the Reference Instrument in accordance with the Reference Instrument List in section IX.3.2] (the "Factor Index")

Reference Instrument: [insert name of the Reference Instrument in accordance with the Reference Instrument List in section IX.3.2]

Index Calculation Agent: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland

Information Page: <https://indices.vontobel.com> [and Reuters page [screen page]] [and [insert other information page, if any: •]]

The composition and calculation of the *Factor Index* specified above is described in the following. The *Index Calculation Agent* will make an index guide available on the *Information Page* for each *Factor Index*, containing this description together with the stipulations in the Final Terms. The index guide constitutes the basis for calculating and publishing the *Factor Index*.

A) Index description

[for Long Factor Indices: The *Factor Index* reflects price movements in the *Reference Instrument* with a leverage factor of [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]. An increase in the price of the *Reference Instrument* since the most recent calculation of an *Index Closing Value* results in a positive change in the *Factor Index* as compared to the previous price of the *Factor Index* and vice versa. The *Factor Index* therefore replicates a "long" strategy.

The *Factor Index* consists of a leverage component and a financing component.

Leverage component

The leverage component tracks an investment in the *Reference Instrument*, whereby movements in the price of the *Reference Instrument* are multiplied by the *Leverage (Factor)*. This leverage effect occurs with either positive or negative movements in the price of the *Reference Instrument*, having a disproportionate effect on the value of the *Factor Index*.

For example (leaving aside the financing component):

1. An increase in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in an increase in the *Factor Index* by [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] x 2%;
2. a decrease in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in a decrease in the *Factor Index* by [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] x 2%.

Financing component

The financing component reflects the capital costs of taking out a loan in the [insert currency 2 in accordance with the Reference Instrument List in section IX.3.2] currency that would be incurred to finance the corresponding investment in the [insert currency 1 in accordance with the Reference

Instrument List in section IX.3.2] currency. Additionally, a fee charged by the Index Calculation Agent for the calculation and administration of the Factor Index is added (Index Fee)..

If the costs of taking out the loan (Interest Rate 2 plus Financing Spread, see below) and the *Index Fee* exceed the interest income on an *Index Calculation Day*, the financing component reduces the value of the *Factor Index*.]

[for Short Factor Indices: The Factor Index reflects price movements in the Reference Instrument with a leverage factor of [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]. A decrease in the price of the Reference Instrument since the most recent calculation of an Index Closing Value results in a positive change in the Factor Index as compared to the previous price of the Factor Index and vice versa. The Factor Index therefore replicates a "short" strategy.

The *Factor Index* consists of a leverage component and a financing component.

Leverage component

The leverage component inversely tracks an investment in the *Reference Instrument*, whereby movements in the price of the *Reference Instrument* are multiplied by the *Leverage* (factor). This leverage effect occurs with either positive or negative movements in the *Reference Instrument*, having a disproportionate effect on the value of the *Factor Index*.

For example (leaving aside the financing component):

1. An increase in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) of 2% results in a decrease in the *Factor Index* by [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] x 2%;
2. A decrease in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) of 2% results in an increase in the *Factor Index* by [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] x 2%.

Financing component

The financing component reflects the costs of taking out a loan in the [*insert currency 1 in accordance with the Reference Instrument List in section IX.3.2] currency that would be incurred to finance the corresponding investment in the [*insert currency 2 in accordance with the Reference Instrument List in section IX.3.2] currency. Additionally, a fee charged by the Index Calculation Agent for the calculation and administration of the Factor Index is added (Index Fee).**

If the costs of taking out the loan (Interest Rate 1 plus Financing Spread, see below) and the *Index Fee* exceed the interest income on an *Index Calculation Day*, the value of the *Factor Index* is reduced on such day.]

B) Index definitions

The definitions below shall apply for the purposes of this index description.

"Adjustment Date" means [the first] [the last] [each] Index Calculation Day of [each] [a] calendar month.

"Valuation Price" of the *Reference Instrument* for an *Index Calculation Day* means the first [[ask][bid] price of the Reference Instrument as observed by the Index Calculation Agent in the international interbank market] [market price determined by the *Index Calculation Agent*

in its reasonable discretion, derived from the bid and offer prices for the *Reference Instrument* as available and published on the [Reuters Monitor Service System] [●], [price for the *Reference Instrument* traded in the international interbank market, as determined by the *Index Calculation Agent* in its reasonable discretion,] after 22:00 CET.

"Financing Spread"

[for *Long Factor Indices*: represents (in the form of a premium over the relevant *Interest Rate*) the financing costs which may be incurred if the long strategy tracked by the *Factor Index* is financed with debt.]

[for *Short Factor Indices*: reflects the current annual cost on an *Index Calculation Day* of acquiring the *Reference Instrument* via a securities lending and repurchase ("repo") transaction.]

The *Financing Spread* on the *Index Start Date* corresponds to the *Initial Financing Spread*. The *Index Calculation Agent* then adjusts the "**Current Financing Spread**" in its due discretion on each *Adjustment Date* to reflect current market conditions and publishes it in accordance with section D) of this index description. The adjusted *Financing Spread* shall apply immediately as from the relevant *Adjustment Date*.

"**Initial Financing Spread**" is [0.1] [0.2] [0.25] [0.3] [0.4] [0.5] [0.6] [0.7] [0.75] [0.8] [0.9] [1.0] [1.1] [1.2] [1.25] [1.3] [1.4] [1.5] [1.75] [2.0] [2.25] [2.5] [2.75] [3.0] [3.25] [3.5] [3.75] [4.0] [4.25] [4.5] [4.75] [5.0] [5.5] [6.0] [6.5] [7.0] [7.5] [8.0] [8.5] [9.0] [9.5] [10] [11] [12] [13] [14] [15]% per annum.

"**Trading Day**" means every day on which the *Reference Instrument* is traded on the *Reference Exchange*.

"**Leverage**" is [for *Short Factor Indices*: -][2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]. It describes the impact that a change in the price of the *Reference Instrument* has on the relevant *Factor Index*. [for *Short Indices*: The negative sign for the *Leverage* indicates that the *Short Factor Index* participates inversely in, i.e. in the opposite of, the performance of the *Reference Instrument*.]

"**Index Calculation Agent**" means Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland

"**Index Calculation Day**" means every day from Monday to [Friday] [Sunday].

"**Index Calculation Period**" [for an *Index Calculation Day* means from [08:00 to 22:00 CET] [00:00 to 24:00 CET]] [means from Monday 0:00 to Friday 21:00 (London time in each case)] [means from Monday 0:00 to Friday 24:00 CET] [means from Monday 0:00 to Sunday 24:00 CET].

"**Index Fee**" is [0.1] [0.2] [0.3] [0.4] [0.5] [0.6] [0.7] [0.8] [0.9] [1.0] [1.1] [1.2] [1.3] [1.4] [1.5] [1.75] [2.0] [2.25] [2.5] [2.75] [3.0] [3.25] [3.5] [3.75] [4.0] [4.25] [4.5] [4.75] [5.0]% per annum. The *Index Fee* is charged each calendar day, beginning on the *Index Start Date*. It is calculated on the basis of a 360-day year and the most recently calculated *Index Closing Value*.

"**Index Closing Value**" is calculated for each *Index Calculation Day* by the *Index Calculation Agent* in accordance with section C) 1) of this index description on the basis of the *Valuation Price* of the *Reference Instrument* for this *Index Calculation Day* and published in accordance with section D) of this index description.

"**Index Start Date**" means [1] [2] [3] [4] [5] [6] [7] [8] [9] [10] [11] [12] [13] [14] [15] [16] [17] [18] [19] [20] [21] [22] [23] [24] [25] [26] [27] [28] [29] [30] [31] [January] [February] [March] [April] [May] [June] [July] [August] [September] [October] [November] [December] [2014] [2015] [2016] [2017] [2018] [2019] [2020].

"Index Start Value" means [10] [100] [1,000] [10,000] index points and represents the Index Closing Value on Index Calculation Day T=0 for the purposes of calculating the index in accordance with C).

"Index Currency" corresponds to *currency 2* of the *Reference Instrument*: [insert currency 2 in accordance with the Reference Instrument List in section IX.3.2]

"Information Page" means <https://indices.vontobel.com>.

"Reference Instrument Price" corresponds at all times during the *Index Calculation Period* to [each market price determined by the *Index Calculation Agent* in its reasonable discretion, derived from the bid and offer prices for the *Reference Instrument* as available and published on the [Reuters Monitor Service System] [●]][a price traded for the *Reference Instrument* in the *international interbank market*].

"Reference Instrument" means [insert name in accordance with the Reference Instrument List in section IX.3.2]. The *Reference Instrument* expresses the price of one unit of the [insert currency 1 in accordance with the Reference Instrument List in section IX.3.2] currency in the [insert currency 2 in accordance with the Reference Instrument List in section IX.3.2] currency.

Currency 1: [insert currency 1 in accordance with the Reference Instrument List in section IX.3.2]

Currency 2: [insert currency 2 in accordance with the Reference Instrument List in section IX.3.2]

ISIN: [insert ISIN in accordance with the Reference Instrument List in section IX.3.2]

Bloomberg symbol: [insert Bloomberg symbol in accordance with the Reference Instrument List in section IX.3.2]

"Barrier" is [2][3][4][5][6][7][8][9][10][12][14][15][17][19][20][21][22][23][24][25][26][27][28][29][30][31][33][35][40][42][45][47][48]%. It indicates the maximum permitted [for Long Factor Indices: negative] [for Short Factor Indices: positive] change in price of the *Reference Instrument* compared with its most recent *Valuation Price* before an *Intraday Index Adjustment* takes place.

"Interest Rate 1" means

[EONIA.

EONIA (Euro Over Night Index Average) is a weighted average interest rate for overnight interbank money calculated act/360 by the European Central Bank since 4 January 1999 on the basis of effective turnover.]

[EUR 1M-EURIBOR.

EURIBOR means Euro Interbank Offered Rate. The EURIBOR is a reference interest rate for the term deposits in EUR in the interbank market. It is sponsored by the associations European Money Markets Institute (EMMI) and Euribor ACI. A representative selection of 24 international banks provide, on a daily basis, the interbank interest rates for term deposits in EUR for terms of 1 week, 2 weeks, 1 month, 2, 3, 6, 9 and 12 months (EUR 1M-EURIBOR signifies a 1-month term).]

[[EUR] [CHF] [USD] [JPY] [GBP] [1W-] [1M-] LIBOR [O/N (overnight)].

LIBOR stands for London InterBank Offered Rate. LIBOR is an average interest rate based on information submitted by the contributing banks. The panel banks indicate the interest rates at which they are able to refinance their own interbank activities in the relevant currency for the relevant term on an unsecured basis. To calculate the reference interest rate, the highest and lowest quartiles of these interest rates are eliminated, and the remaining interest rates

are averaged. LIBOR is calculated for 7 different terms and 5 different currencies. The LIBOR interest rates (ICE Libor) are administered by ICE Benchmark Administration Limited (IBA) and determined each business day at 11 a.m. (London time). [1W-] [1M-] LIBOR [O/N (overnight)] stands for terms of 1 [week] [month] [day].]

[[1W-] [1M-] HIBOR [O/N (overnight)]].

HIBOR stands for Hong Kong Interbank Offered Rate and is set each business day. HIBOR is a Hong Kong dollar interbank interest rate set by the Hong Kong Bankers' Association, based on estimates by 20 banks (panel banks) appointed by the Hong Kong Bankers' Association. The panel banks estimate the interest rates at which another major bank is able to refinance its interbank activities in Hong Kong dollars for the relevant term. [1W-] [1M-] HIBOR [O/N (overnight)] stands for terms of 1 [week] [month] [day].]

[[1W-] [1M-] SGD SIBOR [O/N (overnight)]].

SGD SIBOR stands for Singapore Interbank Offered Rate and is set each business day. It is a Singapore dollar interbank interest rate set by the ABS (Association of Banks in Singapore), based on information provided by participating banks (panel banks). The panel banks indicate the interest rates at which they are able to refinance their own interbank activities in Singapore dollars for the relevant term. [1W-] [1M-] SGD SIBOR [O/N (overnight)] stands for terms of 1 [week] [month] [day].]

[STIBOR T/N (Tomorrow/Next)].

STIBOR T/N stands for Stockholm Interbank Offered Rate Overnight and is set each business day in Sweden at 11:00 a.m. (CET). It is a Swedish kronor interbank interest rate at which banks selected by the Svenska Bankföreningen (Swedish Bankers' Association) are prepared to lend Swedish kronor to each other for a term of one day.]

[NOWA.

The NOWA rate (Norwegian Overnight Weighted Average) is set each business day in Norway. It is an overnight interest rate for interbank business in Norwegian kroner set by Norges Bank (the Norwegian Central Bank) as a weighted average of all overnight transactions reported by the NOWA panel banks. It is the rate at which the banks are prepared to lend Norwegian kroner to each other for a term of one day.]

[DKK T/N.

The DKK T/N (Tomorrow/ Next) interest rate is an uncollateralised day-to-day interest rate for money-market lending calculated and published by Danmarks Nationalbank. The T/N market comprises lending starting on the first banking day after the transaction date and expiring on the second banking day after the transaction date. Calculation of the T/N interest rate is based on daily reports from the largest banks in the Danish money market. It is calculated as a turnover-weighted average of interest rates on actual lending. The Danish Bankers Association has the overall responsibility of the T/N interest rate.]

If *Interest Rate 1* is neither set nor published on an *Index Calculation Day*, the *Interest Rate 1* applied on the immediately preceding *Index Calculation Day* is used to calculate the index in accordance with section C).

If *Interest Rate 1* has neither been set nor published for ten consecutive *Index Calculation Days*, the *Index Calculation Agent* has the right and obligation to stipulate in its reasonable discretion an alternative relevant *Interest Rate 1* which has functions comparable to the previous *Interest Rate 1*.

"Interest Rate 2" means

[EONIA.

EONIA (Euro Over Night Index Average) is a weighted average interest rate for overnight interbank money calculated act/360 by the European Central Bank since 4 January 1999 on the basis of effective turnover.]

[EUR 1M-EURIBOR.

EURIBOR (Euro Interbank Offered Rate) is the reference interest rate for the EUR money market. It is sponsored by the European Banking Federation and the EMU department of the ACI (The Financial Markets Association). A representative selection of international banks provide, on a daily basis, the interbank interest rates for EUR term deposits for terms ranging from one week to up to one year (EUR 1M-EURIBOR signifies a 1-month term).]

[[EUR] [CHF] [USD] [JPY] [GBP] [1W-] [1M-] LIBOR [O/N (overnight)].

LIBOR stands for London InterBank Offered Rate. LIBOR is an average interest rate based on information submitted by the contributing banks. The panel banks indicate the interest rates at which they are able to refinance their own interbank activities in the relevant currency for the relevant term on an unsecured basis. To calculate the reference interest rate, the highest and lowest quartiles of these interest rates are eliminated, and the remaining interest rates are averaged. LIBOR is calculated for 7 different terms and 5 different currencies. The LIBOR interest rates (ICE Libor) are administered by ICE Benchmark Administration Limited (IBA) and determined each business day at 11 a.m. (London time). [1W-] [1M-] LIBOR [O/N (overnight)] stands for terms of 1 [week] [month] [day].]

[[1W-] [1M-] HIBOR [O/N (overnight)].

HIBOR stands for Hong Kong Interbank Offered Rate and is set each business day. HIBOR is a Hong Kong dollar interbank interest rate set by the Hong Kong Bankers' Association, based on estimates by 20 banks (panel banks) appointed by the Hong Kong Bankers' Association. The panel banks estimate the interest rates at which another major bank is able to refinance its interbank activities in Hong Kong dollars for the relevant term. [1W-] [1M-] HIBOR [O/N (overnight)] stands for terms of 1 [week] [month] [day].]

[[1W-] [1M-] SGD SIBOR [O/N (overnight)].

SGD SIBOR stands for Singapore Interbank Offered Rate and is set each business day. It is a Singapore dollar interbank interest rate set by the ABS (Association of Banks in Singapore), based on information provided by participating banks (panel banks). The panel banks indicate the interest rates at which they are able to refinance their own interbank activities in Singapore dollars for the relevant term. [1W-] [1M-] SGD SIBOR [O/N (overnight)] stands for terms of 1 [week] [month] [day].]

[STIBOR T/N (Tomorrow/Next).

STIBOR T/N stands for Stockholm Interbank Offered Rate Overnight and is set each business day in Sweden at 11:00 a.m. (CET). It is a Swedish kronor interbank interest rate at which banks selected by the Svenska Bankföreningen (Swedish Bankers' Association) are prepared to lend Swedish kronor to each other for a term of one day.]

[NOWA.

The NOWA rate (Norwegian Overnight Weighted Average) is set each business day in Norway. It is an overnight interest rate for interbank business in Norwegian kroner set by Norges Bank (the Norwegian Central Bank) as a weighted average of all overnight transactions reported by the NOWA panel banks. It is the rate at which the banks are prepared to lend Norwegian kroner to each other for a term of one day.]

If *Interest Rate 2* is neither set nor published on an *Index Calculation Day*, the *Interest Rate 2* applied on the immediately preceding *Index Calculation Day* is used to calculate the index in accordance with section C).

If *Interest Rate 2* has neither been set nor published for ten consecutive *Index Calculation Days*, the *Index Calculation Agent* has the right and obligation to stipulate in its reasonable discretion an alternative relevant *Interest Rate 2* which has functions comparable to the previous *Interest Rate 2*.

C) Index calculation

The *Factor Index* shall be calculated for the first time on the *Index Start Date*. The initial level of the index on the *Index Start Date* corresponds to the *Index Start Value*. The respective current index level is calculated by the *Index Calculation Agent* on a continuous basis during the *Index Calculation Period* on each *Index Calculation Day*, rounded to two decimal places and published in accordance with section D).

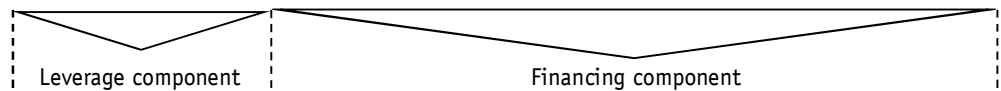
One index point corresponds to one unit of the *Index Currency*.

C) 1) Index formula

The *Factor Index* is calculated for each time *t* during an *Index Calculation Day T* in accordance with the following formula:

[for Long Factor Indices:

$$IDX_t = IDX_{T-1} \times \left\{ 1 + L \times \left(\frac{R_t}{R_{T-1}} - 1 \right) - \left[(L-1) \times (IR2_{T-1} + FS_T) + IG - L \times IR1_{T-1} \times \frac{R_t}{R_{T-1}} \right] \times \frac{d}{360} \right\}$$



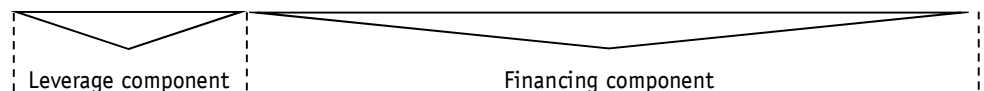
where:

- T = current Index Calculation Day
- IDX_t = Index Value at time *t* on Index Calculation Day T
- IDX_{T-1} = Index Closing Value on Index Calculation Day T-1 which immediately precedes the current Index Calculation Day T
- L = Leverage (Factor): [insert Leverage in accordance with B)]
- R_t = Reference Instrument Price at time *t*
- R_{T-1} = Valuation Price on Index Calculation Day T-1
- $IR1_{T-1}$ = Interest Rate 1 on Index Calculation Day T-1
- $IR2_{T-1}$ = Interest Rate 2 on Index Calculation Day T-1
- FS_T = Financing Spread on Index Calculation Day T
- IG = Index Fee
- d = Number of calendar days between Index Calculation Days T-1 and T

]

[for Short Factor Indices:

$$IDX_t = IDX_{T-1} \times \left\{ 1 + L \times \left(\frac{R_t}{R_{T-1}} - 1 \right) + \left[(1-L) \times IR2_{T-1} + L \times (IR1_{T-1} + FS_T) \times \frac{R_t}{R_{T-1}} - IG \right] \times \frac{d}{360} \right\}$$



where:

T	=	current Index Calculation Day
INDEX _t	=	Index Value at time t on Index Calculation Day T
INDEX _{T-1}	=	Index Closing Value on Index Calculation Day T-1 which immediately precedes the current Index Calculation Day T
L	=	Leverage (Factor):[insert Leverage in accordance with B)]
R _t	=	Reference Instrument Price at time t
R _{T-1}	=	Valuation Price on Index Calculation Day T-1
IR1 _{T-1}	=	Interest Rate 1 on Index Calculation Day T-1
IR2 _{T-1}	=	Interest Rate 2 on Index Calculation Day T-1
FS _T	=	Financing Spread on Index Calculation Day T
IG	=	Index Fee
d	=	Number of calendar days between Index Calculation Days T-1 and T

]

C) 2) Intraday Index Adjustment

[for Long Factor Indices:

If at time *s* on Index Calculation Day T the Reference Instrument Price falls below the most recent Valuation Price of the Reference Instrument by more than [insert Barrier in accordance with B)]% (Barrier), an "**Intraday Index Adjustment**" takes place, simulating a new day:

$$\begin{aligned} s &= T, \text{ i.e. } \text{INDEX}_{T-1} (\text{new}) = \text{INDEX}_s \\ R_{T-1} (\text{new}) &= R_{T-1} (\text{old}) \times [\text{insert difference between 1 and the Barrier in accordance with B)] \\ d &= 0 \end{aligned}$$

A new Valuation Price valid after time *s* (*R*_{T-1} (new)) is calculated by multiplying the previous Valuation Price (*R*_{T-1} (old)) by [insert difference between 1 and the Barrier in accordance with B)]. The financing component remains unchanged. No additional interest or costs are incurred for the newly simulated day.]

[for Short Factor Indices:

If at time *s* on Index Calculation Day T the Reference Instrument Price exceeds the most recent Valuation Price of the Reference Instrument by more than [insert Barrier in accordance with B)]% (Barrier), an "**Intraday Index Adjustment**" takes place, simulating a new day:

$$\begin{aligned} s &= T, \text{ i.e. } \text{INDEX}_{T-1} (\text{new}) = \text{INDEX}_s \\ R_{T-1} (\text{new}) &= R_{T-1} (\text{old}) \times [\text{insert total of 1 and the Barrier in accordance with B)] \\ d &= 0 \end{aligned}$$

A new Valuation Price valid after time *s* (*R*_{T-1} (new)) is calculated by multiplying the previous Valuation Price (*R*_{T-1} (old)) by [insert total of 1 and the Barrier in accordance with B)]. The financing component remains unchanged. No additional costs are incurred for the newly simulated day.]

D) Notices

All notices pertaining to the Factor Index will be published on the Information Page. Such notices shall be deemed to have been given on the date on which they are first published.

Notices are made for information purposes only and do not represent a precondition for legal effectiveness.

]

3.2 Reference Instrument List (exchange rates)

Exchange rate name	Currency 1	Currency 2	ISIN	Bloomberg
EUR/USD cross rate	EUR	USD	EU0009652759	EURUSD Curncy
EUR/CHF cross rate	EUR	CHF	EU0009654078	EURCHF Curncy
EUR/JPY cross rate	EUR	JPY	EU0009652627	EURJPY Curncy
EUR/GBP cross rate	EUR	GBP	EU0009653088	EURGBP Curncy
EUR/AUD cross rate	EUR	AUD	EU0009654748	EURAUD Curncy
EUR/NOK cross rate	EUR	NOK	EU0009654698	EURNOK Curncy
EUR/SEK cross rate	EUR	SEK	EU0009654672	EURSEK Curncy
EUR/SGD cross rate	EUR	SGD	EU0006169948	EURSGD Curncy
EUR/HKD cross rate	EUR	HKD	EU0006169856	EURHKD Curncy
USD/JPY cross rate	USD	JPY	XC0009659910	USDJPY Curncy
USD/CHF cross rate	USD	CHF	XC0009652816	USDCHF Curncy
USD/SGD cross rate	USD	SGD	XC000A0C37U8	USDSGD Curncy
USD/CAD cross rate	USD	CAD	XC000A0AEM51	USDCAD Curncy
AUD/USD cross rate	AUD	USD	XC000A0E4TC6	AUDUSD Curncy
GBP/USD cross rate	GBP	USD	GB0031973075	GBPUSD Curncy

4. Factor Indices linked to futures and interest rate futures

4.1 Index description

[

Index name: [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]X [Long]
[Short] Index linked to [insert name of the Reference Instrument in accordance with the Reference Instrument List in section IX.4.2] (the "Factor Index")

Reference Instrument: [insert name of the Reference Instrument in accordance with the Reference Instrument List in section IX.4.2]

Index Calculation Agent: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland

Information Page: <https://indices.vontobel.com> [and Reuters page [screen page]] [and [insert other information page, if any: •]]

The composition and calculation of the *Factor Index* specified above is described in the following. The *Index Calculation Agent* will make an index guide available on the *Information Page* for each *Factor Index*, containing this description together with the stipulations in the Final Terms. The index guide constitutes the basis for calculating and publishing the *Factor Index*.

A) Index description

[for Long Factor Indices: The *Factor Index* reflects price movements in the *Reference Instrument* with a leverage factor of [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]. An increase in the price of the *Reference Instrument* since the most recent calculation of an *Index Closing Value* results in a positive change of the *Factor Index* as compared to the previous price of the *Factor Index* and vice versa. The *Factor Index* therefore reflects a "long" strategy.

The *Factor Index* consists of a leverage component and a financing component.

Leverage component

The leverage component tracks an investment in the *Reference Instrument*, whereby movements in the price of the *Reference Instrument* are multiplied by the *Leverage (Factor)*. This leverage effect occurs with either positive or negative movements in the price of the *Reference Instrument*, having a disproportionate effect on the value of the *Factor Index*.

For example (leaving aside the financing component):

1. An increase in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in an increase in the *Factor Index* by [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] x 2%;
2. A decrease in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in a decrease in the *Factor Index* by [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] x 2%.

]

[for Short Factor Indices: The *Factor Index* reflects price movements in the *Reference Instrument* with a leverage factor of [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]. A decrease in the price of the *Reference Instrument* since the most recent calculation of an *Index Closing Value*

results in a positive change in the *Factor Index* as compared to the previous price of the *Factor Index* and vice versa. The *Factor Index* therefore replicates a "short" strategy.

The *Factor Index* consists of a leverage component and a financing component.

Leverage component

The leverage component inversely tracks an investment in the *Reference Instrument*, whereby movements in the price of the *Reference Instrument* are multiplied by the *Leverage* (Factor). This leverage effect occurs with either positive or negative movements in the price of the *Reference Instrument*, having a disproportionate effect on the value of the *Factor Index*.

For example (leaving aside the financing component):

1. An increase in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in an decrease in the *Factor Index* by $[2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] \times 2\%$;
2. A decrease in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in an increase in the *Factor Index* by $[2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] \times 2\%$.

]

Financing component

The financing component reflects the income and costs that would be incurred in the event of a corresponding investment in the *Reference Instrument*.

Since an investment in futures does not involve the purchase of the reference asset underlying the future but simply consists of entering into a corresponding position in a futures contract, no expenditure is incurred for the acquisition of the reference asset underlying the future. Instead, the only requirement is to make a margin payment based on the position entered into in accordance with the rules and regulations of the *Reference Exchange*. The financing costs for the margin payment are reflected in the financing component.

The financing component also reflects the income that would be earned from a risk-free investment in line with the strategy of the leverage component and at the relevant *Interest Rate*.

Additionally, a fee charged by the *Index Calculation Agent* for the calculation and administration of the *Factor Index* is added (*Index Fee*).

If the costs of the margin payment and the *Index Fee* exceed the interest income based on the applicable *Interest Rate* on a particular day, the value of the *Factor Index* on that day is reduced.

B) Index definitions

The definitions below shall apply for the purposes of this index description.

"**Adjustment Date**" means [the first] [the last] [each] Index Calculation Day of [each] [a] calendar month.

"**Extraordinary Adjustment Event**" means any of the following events as they relate to the *Reference Instrument*:

- (a) changes in the conditions on which the *Reference Instrument* is based or the principal features of the contract on the *Reference Exchange*,
- (b) other changes relating to the *Reference Instrument* by or on the *Reference Exchange*.

"Valuation Price" of the *Current Reference Instrument* for an *Index Calculation Day* means – subject to an *Extraordinary Adjustment* of the index calculation pursuant to section D) – the [price of the morning auction] [price of the midday auction] [price of the closing auction] [[daily] [final] settlement price] [the average of the first jointly determined and published bid and offer prices] of the *Current Reference Instrument* determined and published on the *Reference Exchange*. For the sake of clarity: following a *Rollover* (see below), the *Valuation Price* of the new *Current Reference Instrument* is applicable for the continuing calculation of the *Factor Index* in accordance with section C).

If an *Index Calculation Day* is not a *Trading Day*, the *Valuation Price* for the immediately preceding *Index Calculation Day* shall continue to apply (adjusted where necessary, in the reasonable discretion of the *Index Calculation Agent*, if and to the extent that a *Rollover* has taken place since the preceding *Index Calculation Day*). If no *Valuation Price* for the *Current Reference Instrument* is determined or published on a *Trading Day*, the *Index Calculation Agent* shall determine the *Valuation Price* of the *Reference Instrument* for that day on the basis of the most recent prices set for the *Reference Instrument* in its due discretion.

"Financing Spread" represents (in the form of a premium over the applicable *Interest Rate*) the costs of the margin payment which may be incurred for investments in the *Reference Instrument* in line with the strategy replicated by the *Factor Index*.

The *Financing Spread* on the *Index Start Date* corresponds to the *Initial Financing Spread*. The *Index Calculation Agent* then adjusts the **"Current Financing Spread"** in its due discretion on each *Adjustment Date* to reflect current market conditions and publishes it in accordance with section E) of this index description. The adjusted *Financing Spread* shall apply immediately as from the relevant *Adjustment Date*.

"Initial Financing Spread" is [0.1] [0.2] [0.25] [0.3] [0.4] [0.5] [0.6] [0.7] [0.75] [0.8] [0.9] [1.0] [1.1] [1.2] [1.25] [1.3] [1.4] [1.5] [1.75] [2.0] [2.25] [2.5] [2.75] [3.0] [3.25] [3.5] [3.75] [4.0] [4.25] [4.5] [4.75] [5.0] [5.5] [6.0] [6.5] [7.0] [7.5] [8.0] [8.5] [9.0] [9.5] [10] [11] [12] [13] [14] [15]% per annum.

"Trading Day" means every day on which the *Current Reference Instrument* is traded on the *Reference Exchange*.

"Leverage" is [for Short Factor Indices: -][2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]. It describes the impact that a change in the price of the *Reference Instrument* has on the relevant *Factor Index*. [for Short Indices: The negative sign for the *Leverage* indicates that the Short *Factor Index* participates inversely in, i.e. in the opposite of, the performance of the *Current Reference Instrument*.]

"Index Calculation Agent" means Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland

"Index Calculation Day" means every day from Monday to Friday.

"Index Fee" is [0.1] [0.2] [0.3] [0.4] [0.5] [0.6] [0.7] [0.8] [0.9] [1.0] [1.1] [1.2] [1.3] [1.4] [1.5] [1.75] [2.0] [2.25] [2.5] [2.75] [3.0] [3.25] [3.5] [3.75] [4.0] [4.25] [4.5] [4.75] [5.0]% per annum. The *Index Fee* is charged each calendar day, beginning on the *Index Start Date*. It is calculated on the basis of a 360-day year and the most recently calculated *Index Closing Value*.

"Index Closing Value" is calculated for each *Index Calculation Day* by the *Index Calculation Agent* in accordance with section C) 1) of this index description on the basis of the *Valuation Price* of the *Current Reference Instrument* for that *Index Calculation Day* and published in accordance with section E) of this index description.

"Index Start Date" means [1] [2] [3] [4] [5] [6] [7] [8] [9] [10] [11] [12] [13] [14] [15] [16] [17] [18] [19] [20] [21] [22] [23] [24] [25] [26] [27] [28] [29] [30] [31] [January] [February] [March] [April] [May] [June] [July] [August] [September] [October] [November] [December] [2014] [2015] [2016] [2017] [2018] [2019] [2020].

"Index Start Value" is [10] [100] [1,000] [10,000] index points and represents the Index Closing Value on Index Calculation Day T=0 for the purposes of calculating the index in accordance with C).

"Index Currency" means [EUR][USD][CHF][JPY][HKD][SGD][GBP][NOK][SEK][AUD][DKK].

"Information Page" means <https://indices.vontobel.com>.

"Contract Months" means the [expiry months] [delivery months] [January] [,] [and] [February] [,] [and] [March] [,] [and] [April] [,] [and] [May] [,] [and] [June] [,] [and] [July] [,] [and] [August] [,] [and] [September] [,] [and] [October] [,] [and] [November] [,] [and] [December].

"Reference Instrument Price" means at any time during the trading period on the *Reference Exchange* [the mean between the bid and offer prices] [the price] of the *Current Reference Instrument* on the *Reference Exchange*, as determined by the *Index Calculation Agent*.

"Reference Exchange" means [insert the relevant trading platform for the Reference Instrument in accordance with the Reference Instrument List in section IX.4.2].

"Reference Instrument" means [insert name in accordance with the Reference Instrument List in section IX.4.2].

Currency: [insert currency in accordance with the Reference Instrument List in section IX.4.2]

ISIN: [insert ISIN in accordance with the Reference Instrument List in section IX.4.2]

Bloomberg symbol: [insert Bloomberg symbol in accordance with the Reference Instrument List in section IX.4.2]

"Current Reference Instrument" means the *Initial Reference Instrument* from the *Index Start Date* until the first *Rollover Date*. Once the *Index Closing Value* on the first *Rollover Date* has been calculated and determined, this *Reference Instrument* loses its validity and is replaced by the *Reference Instrument* contract for the *Contract Months* specified above next falling due on the *Reference Exchange*. On each subsequent *Rollover Date*, following the calculation and determination of the *Index Closing Value*, the *Current Reference Instrument* is replaced in turn by the *Reference Instrument* contract falling due on the *Reference Exchange* in the next following *Contract Month* (respectively a "**Rollover**").

Each *Rollover* is published by the *Index Calculation Agent* in accordance with section E).

"Initial Reference Instrument" means [insert name in accordance with the Reference Instrument List in section IX.4.2 and applicable Contract Month in accordance with the definition above].

"Rollover Date"

[is determined in each case by the *Index Calculation Agent* in its reasonable discretion and falls within a period of [two] [five] [ten] [twenty] *Trading Days* prior to the [final settlement

date] [last Trading Day] [first notice day] of the *Current Reference Instrument* on the *Reference Exchange*. [In the event that the first notice day of the *Current Reference Instrument* falls prior to its [final settlement date] [last Trading Day on the *Reference Exchange*], the period for the *Rollover Date* shall begin ten *Trading Days* before the first notice day and shall end with the last Trading Day of the *Current Reference Instrument*.]

[means the [second] [fifth] [tenth] [twentieth] *Trading Day* before the [final settlement date] [last Trading Day] [first notice day] of the *Current Reference Instrument* on the *Reference Exchange*. If the *Rollover Date* is not an *Index Calculation Day*, then the *Rollover Date* shall be postponed to the next *Trading Day* that is also an *Index Calculation Day*.]

"Barrier" is [2][3][4][5][6][7][8][9][10][12][14][15][17][19][20][21][22][23][24][25][26][27][28][29][30][31][33][35][40][42][45][47][48]%. It indicates the maximum permitted [for Long Factor Indices: negative] [for Short Factor Indices: positive] change in price of the *Current Reference Instrument* compared with its most recent *Valuation Price* before an *Intraday Index Adjustment* takes place.

"Interest Rate" means

[EONIA.

EONIA (Euro Over Night Index Average) is a weighted average interest rate for overnight interbank money calculated act/360 by the European Central Bank since 4 January 1999 on the basis of effective turnover.]

[EUR 1M-EURIBOR.

EURIBOR means Euro Interbank Offered Rate. The EURIBOR is a reference interest rate for the term deposits in EUR in the interbank market. It is sponsored by the associations European Money Markets Institute (EMMI) and Euribor ACI. A representative selection of 24 international banks provide, on a daily basis, the interbank interest rates for term deposits in EUR for terms of 1 week, 2 weeks, 1 month, 2, 3, 6, 9 and 12 months (EUR 1M-EURIBOR signifies a 1-month term).]

[EUR] [CHF] [USD] [JPY] [GBP] [1W-] [1M-] LIBOR [O/N (overnight)].

LIBOR stands for London InterBank Offered Rate. LIBOR is an average interest rate based on information submitted by the contributing banks. The panel banks indicate the interest rates at which they are able to refinance their own interbank activities in the relevant currency for the relevant term on an unsecured basis. To calculate the reference interest rate, the highest and lowest quartiles of these interest rates are eliminated, and the remaining interest rates are averaged. LIBOR is calculated for 7 different terms and 5 different currencies. The LIBOR interest rates (ICE Libor) are administered by ICE Benchmark Administration Limited (IBA) and determined each business day at 11 a.m. (London time). [1W-] [1M-] LIBOR [O/N (overnight)] stands for terms of 1 [week] [month] [day].]

[1W-] [1M-] HIBOR [O/N (overnight)].

HIBOR stands for Hong Kong Interbank Offered Rate and is set each business day. HIBOR is a Hong Kong dollar interbank interest rate set by the Hong Kong Bankers' Association, based on estimates by 20 banks (panel banks) appointed by the Hong Kong Bankers' Association. The panel banks estimate the interest rates at which another major bank is able to refinance its interbank activities in Hong Kong dollars for the relevant term. [1W-] [1M-] HIBOR [O/N (overnight)] stands for terms of 1 [week] [month] [day].]

[1W-] [1M-] SGD SIBOR [O/N (overnight)].

SGD SIBOR stands for Singapore Interbank Offered Rate and is set each business day. It is a Singapore dollar interbank interest rate set by the ABS (Association of Banks in Singapore), based on information provided by participating banks (panel banks). The panel banks indicate

the interest rates at which they are able to refinance their own interbank activities in Singapore dollars for the relevant term. [1W-] [1M-] SGD SIBOR [O/N (overnight)] stands for terms of 1 [week] [month] [day].]

[STIBOR T/N (Tomorrow/Next).

STIBOR T/N stands for Stockholm Interbank Offered Rate Overnight and is set each business day in Sweden at 11:00 a.m. (CET). It is a Swedish kronor interbank interest rate at which banks selected by the Svenska Bankföreningen (Swedish Bankers' Association) are prepared to lend Swedish kronor to each other for a term of one day.]

[NOWA.

The NOWA rate (Norwegian Overnight Weighted Average) is set each business day in Norway. It is an overnight interest rate for interbank business in Norwegian kroner set by Norges Bank (the Norwegian Central Bank) as a weighted average of all overnight transactions reported by the NOWA panel banks. It is the rate at which the banks are prepared to lend Norwegian kroner to each other for a term of one day.]

[DKK T/N.

The DKK T/N (Tomorrow/ Next) interest rate is an uncollateralised day-to-day interest rate for money-market lending calculated and published by Danmarks Nationalbank. The T/N market comprises lending starting on the first banking day after the transaction date and expiring on the second banking day after the transaction date. Calculation of the T/N interest rate is based on daily reports from the largest banks in the Danish money market. It is calculated as a turnover-weighted average of interest rates on actual lending. The Danish Bankers Association has the overall responsibility of the T/N interest rate.]

If the Interest Rate is neither set nor published on an Index Calculation Day, the Interest Rate applied on the immediately preceding Index Calculation Day is used to calculate the index in accordance with section C).

If the Interest Rate has neither been set nor published for ten consecutive Index Calculation Days, the Index Calculation Agent has the right and obligation to stipulate in its reasonable discretion an alternative relevant *Interest Rate* which has functions comparable to the previous *Interest Rate*.

C) Index calculation

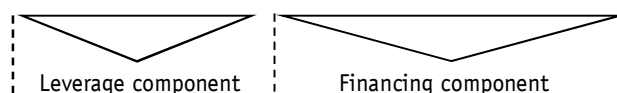
The *Factor Index* shall be calculated for the first time on the *Index Start Date*. The initial level of the index on the *Index Start Date* corresponds to the *Index Start Value*. The respective current index level is calculated by the *Index Calculation Agent* on a continuous basis during the trading period of the *Reference Instrument* on the *Reference Exchange* on each *Index Calculation Day*, rounded to two decimal places and published in accordance with section E).

One index point corresponds to one unit of the *Index Currency*.

C) 1) Index formula

The *Factor Index* is calculated for each time t during an *Index Calculation Day* T in accordance with the following formula:

$$IDX_t = IDX_{T-1} \times \left[1 + L \times \left(\frac{R_t}{R_{T-1}} - 1 \right) + (IR_{T-1} - FS_T - IG) \times \frac{d}{360} \right]$$



where:

- T = current Index Calculation Day
- IDX_t = Index Value at time t on Index Calculation Day T
- IDX_{T-1} = Index Closing Value on Index Calculation Day $T-1$ which immediately precedes the current Index Calculation Day T
- L = Leverage (Factor): [*insert Leverage in accordance with B*)]
- R_t = Reference Instrument Price of the *Current Reference Instrument* at time t
- R_{T-1} = Valuation Price of the *Current Reference Instrument* on Index Calculation Day $T-1$
- IR_{T-1} = Interest Rate on Index Calculation Day $T-1$
- FS_T = Financing Spread on Index Calculation Day T
- IG = Index Fee
- d = Number of calendar days between Index Calculation Days $T-1$ and T

C) 2) Intraday Index Adjustment

[for Long Factor Indices:

If at time s on *Index Calculation Day* T the *Reference Instrument Price* falls below the most recent *Valuation Price* of the *Current Reference Instrument* by more than [*insert Barrier in accordance with B*)]% (*Barrier*), an "**Intraday Index Adjustment**" takes place, simulating a new day:

$$\begin{aligned} s &= T, \text{ i.e. } IDX_{T-1} (\text{new}) = IDX_s \\ R_{T-1} (\text{new}) &= R_{T-1} (\text{old}) \times [\text{insert difference between 1 and the Barrier in accordance with B}] \\ d &= 0 \end{aligned}$$

A new *Valuation Price* valid after time s ($R_{T-1} (\text{new})$) is calculated by multiplying the previous *Valuation Price* ($R_{T-1} (\text{old})$) by [*insert difference between 1 and the Barrier in accordance with B*)]. The *financing component* remains unchanged. No additional interest or costs are incurred for the newly simulated day.]

[for Short Factor Indices:

If at time s on *Index Calculation Day* T the *Reference Instrument Price* exceeds the most recent *Valuation Price* of the *Current Reference Instrument* by more than [*insert Barrier in accordance with B*)]% (*Barrier*), an "**Intraday Index Adjustment**" takes place, simulating a new day:

$$\begin{aligned} s &= T, \text{ i.e. } IDX_{T-1} (\text{new}) = IDX_s \\ R_{T-1} (\text{new}) &= R_{T-1} (\text{old}) \times [\text{insert total of 1 and the Barrier in accordance with B}] \\ d &= 0 \end{aligned}$$

A new *Valuation Price* valid after time s ($R_{T-1} (\text{new})$) is calculated by multiplying the previous *Valuation Price* ($R_{T-1} (\text{old})$) by [*insert total of 1 and the Barrier in accordance with B*)]. The *financing component* remains unchanged. No additional costs are incurred for the newly simulated day.]

D) Extraordinary adjustment of the index calculation

In the event of an *Extraordinary Adjustment Event* occurring in relation to the *Reference Instrument* or the *Current Reference Instrument*, respectively, the *Index Calculation Agent* will adjust the index calculation on the *Reference Date* (as defined below). In doing so, the *Index Calculation Agent* will

endeavour – as far as possible – to calculate the *leverage component* as if no *Extraordinary Adjustment Event* had occurred.

The *Index Calculation Agent* will generally adjust the index calculation by correcting in its due discretion the relevant *Valuation Price* of the *Current Reference Instrument* on *Index Calculation Day T-1* on the *Reference Date*, in order to factor into the index calculation the adjustments relating to the (*Current*) *Reference Instrument* made on the *Reference Exchange*.

The *Index Calculation Agent* may adjust the index calculation in some other manner if it deems this necessary in its due discretion in order to reflect differences between this *Factor Index* and the *Reference Instrument* traded on the *Reference Exchange*. Adjustments of this nature may relate in particular to the replacement of the *Reference Instrument* by another comparable *Reference Instrument* on another *Reference Exchange* and, where relevant, to the designation of a different *Reference Exchange* and a different *Reference Instrument Price*.

The list of *Extraordinary Adjustment Events* cited in section B) is not exhaustive. The deciding factor is whether the *Reference Exchange* considers it necessary to adjust the contract size, the *Reference Instrument* or the designation of the relevant exchange for the determination of the price of the reference item of the *Reference Instrument*. In cases of doubt about the application of the adjustment rules, the *Index Calculation Agent* shall decide such questions in its reasonable discretion. The rules and regulations of the *Reference Exchange* shall apply in addition to the provisions set out above.

"**Reference Date**" within the meaning of this index description means the first *Index Calculation Day* on which the relevant *Reference Instruments* are traded on the *Reference Exchange* after taking the adjustment into account.

Adjustments relating to the *Factor Index* and all other measures taken under this section will be published by the *Index Calculation Agent* in accordance with section E).

E) Notices

All notices pertaining to the *Factor Index* will be published on the *Information Page*. Such notices shall be deemed to have been given on the date on which they are first published.

Notices are given for information purposes only and do not represent a precondition for legal effectiveness.

]

4.2 Reference Instrument List (futures and interest rate futures)

Name	Currency	ISIN	Bloomberg	Reference Exchange
Light Sweet Crude Oil (WTI) Future	USD	US12573F1084	CL1 Comdty	NYMEX (CME Group)
Henry Hub Natural Gas Future	USD	US12573E1010	NG1 Comdty	NYMEX (CME Group)
Brent Crude Future	USD	XC0009677409	CO1 Comdty	IntercontinentalExchange (ICE)
Coffee C® Future	USD	US6289851031	KC1 Comdty	IntercontinentalExchange (ICE)
Sugar No. 11 Future	USD	XC0002272240	SB1 Comdty	IntercontinentalExchange (ICE)
Cotton No. 2 Future	USD	XC000A0AEZK8	CT1 Comdty	IntercontinentalExchange (ICE)
Corn Future	USD	XC000A0AEZE1	C 1 Comdty	CBOT (CME Group)
Wheat Future	USD	US12492G1040	W 1 Comdty	CBOT (CME Group)
Copper Future	USD	XC0009656965	HG1 Comdty	COMEX (CME Group)
Phelix Baseload Year Future	EUR	DE0006606064	HP1 Comdty	European Energy Exchange (EEX)
Euro Bund Future	EUR	DE0009652644	RX1 Comdty	Eurex
Long-Term Euro-BTP-Future	EUR	DE000A0ZW3V8	IK1 Comdty	Eurex
Cocoa Future	USD	XD0002742035	CC1 Comdty	IntercontinentalExchange (ICE)
Soybean Future	USD	US12492A1079	S 1 Comdty	CBOT (CME Globex)
10-Year U.S. Treasury Note	USD	US12573H3286	TY1 COMDTY	CBOT
VSTOXX Volatility Future	EUR	DE000A0C3QF1	FVS1 INDEX	Eurex

5. Factor Indices linked to precious metals and commodities

5.1 Index description

[

Index name: [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]X [Long] [Short] Index linked to [insert name of the Reference Instrument in accordance with the Reference Instrument List in section IX.5.2] (the "Factor Index")

Reference Instrument: [insert name of the Reference Instrument in accordance with the Reference Instrument List in section IX.5.2]

Index Calculation Agent: Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland

Information Page: <https://indices.vontobel.com> [and Reuters page [screen page]] [and [insert other information page, if any: •]]

The composition and calculation of the *Factor Index* specified above is described in the following. The *Index Calculation Agent* will make an index guide available on the *Information Page* for each *Factor Index*, containing this description together with the stipulations in the Final Terms. The index guide constitutes the basis for calculating and publishing the *Factor Index*.

A) Index description

[for Long Factor Indices: The *Factor Index* reflects price movements in the *Reference Instrument* with a leverage factor of [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]. An increase in the price of the *Reference Instrument* since the most recent calculation of an *Index Closing Value* results in a positive change of the *Factor Index* as compared to the previous price of the *Factor Index* and vice-versa. The *Factor Index* therefore replicates a "long" strategy.

The *Factor Index* consists of a leverage component and a financing component.

Leverage component

The leverage component tracks an investment in the *Reference Instrument*, whereby movements in the price of the *Reference Instrument* are multiplied by the *Leverage* (factor). This leverage effect occurs with either positive or negative movements in the *Reference Instrument*, having a disproportionate effect on the value of the *Factor Index*.

For example (leaving aside the financing component):

1. An increase in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in an increase in the *Factor Index* by [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] x 2%;
2. A decrease in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in a decrease in the *Factor Index* by [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] x 2%.

Financing component

The financing component reflects the capital costs that would be incurred to finance the corresponding investment in the *Reference Instrument*. To this is added a fee charged by the *Index Calculation Agent* for the calculation and administration of the *Factor Index* (*Index Fee*).

The financing component therefore reduces the value of the *Factor Index*.]

[for Short Factor Indices: The *Factor Index* reflects price movements in the *Reference Instrument* with a leverage factor of [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]. A decrease in the price of the *Reference Instrument* since the most recent calculation of an *Index Closing Value* results in a positive change in the *Factor Index* compared with the previous price of the *Factor Index* and vice versa. The *Factor Index* therefore replicates a "short" strategy.

The *Factor Index* consists of a leverage component and a financing component.

Leverage component

The leverage component inversely tracks an investment in the *Reference Instrument* (or its constituents and in accordance with its rules and regulations), whereby movements in the price of the *Reference Instrument* are multiplied by the *Leverage* (Factor). This leverage effect occurs with either positive or negative movements in the price of the *Reference Instrument*, having a disproportionate effect on the value of the *Factor Index*. For example (leaving aside the financing component):

For example (leaving aside the financing component):

1. An increase in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in an decrease in the *Factor Index* by [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] x 2%;
2. A decrease in the price of the *Reference Instrument* (as compared to the most recent *Valuation Price* of the *Reference Instrument*) by 2% results in a increase in the *Factor Index* by [2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40] x 2%.

Financing component

The financing component emulates the expenses and earnings that would arise from acquiring the *Reference Instrument* (or its constituents), selling it and investing the proceeds at the risk-free rate. Additionally, a fee charged by the *Index Calculation Agent* for the calculation and administration of the *Factor Index* is added (*Index Fee* which reduces the value of the index).

If the acquisition costs and the *Index Fee* exceed the interest income based on the applicable *Interest Rate* on a particular day, the value of the *Factor Index* is reduced on such day.]

B) Index definitions

The definitions below shall apply for the purposes of this index description.

"**Adjustment Date**" means [the first] [the last] [each] Index Calculation Day of [each] [a] calendar month.

"**Extraordinary Adjustment Event**" means any of the following events as they relate to the *Reference Instrument*:

- (a) a change in the quality, composition (e.g. a different degree of purity or different place of origin) or the standard unit of measurement by or on the *Reference Exchange* responsible for determining the *Valuation Price* of the *Reference Instrument*; or

- (b) any other event which in the reasonable discretion of the *Index Calculation Agent* would have a comparable or similar impact on the calculation of the *Factor Index* in the event that no adjustment were to be made.

"Valuation Price" of the *Reference Instrument* for an *Index Calculation Day* means – subject to an extraordinary adjustment of the index calculation pursuant to section D) – the price of the *Reference Instrument*, as determined for that day on the *Reference Exchange* as [insert *Valuation Price* in accordance with the *Reference Instrument List* in section IX.5.2]. If an *Index Calculation Day* falls on a day which is not a *Trading Day*, the *Valuation Price* of the immediately preceding *Index Calculation Day* shall continue to apply. If no *Valuation Price* for the *Reference Instrument* is determined or published on a *Trading Day*, the *Index Calculation Agent* shall determine the *Valuation Price* of the *Reference Instrument* for that day on the basis of the most recent prices set for the *Reference Instrument* in the international interbank market in its due discretion.

"Financing Spread"

[for *Long Factor Indices*: represents (in the form of a premium over the relevant *Interest Rate*) the financing costs which may be incurred if the long strategy replicated by the *Factor Index* is financed with debt.]

[for *Short Factor Indices*: reflects the current annual cost on an *Index Calculation Day* of acquiring the *Reference Instrument* via a securities lending and repurchase ("repo") transaction.]

The *Financing Spread* on the *Index Start Date* corresponds to the *Initial Financing Spread*. The *Index Calculation Agent* then adjusts the **"Current Financing Spread"** in its due discretion on each *Adjustment Date* to reflect current market conditions and publishes it in accordance with section E) of this index description. The adjusted *Financing Spread* becomes applicable immediately from the relevant *Adjustment Date* onward.

"Initial Financing Spread" is [0.1] [0.2] [0.25] [0.3] [0.4] [0.5] [0.6] [0.7] [0.75] [0.8] [0.9] [1.0] [1.1] [1.2] [1.25] [1.3] [1.4] [1.5] [1.75] [2.0] [2.25] [2.5] [2.75] [3.0] [3.25] [3.5] [3.75] [4.0] [4.25] [4.5] [4.75] [5.0] [5.5] [6.0] [6.5] [7.0] [7.5] [8.0] [8.5] [9.0] [9.5] [10] [11] [12] [13] [14] [15]% per annum.

"Trading Day" means every day on which a *Valuation Price* for the *Reference Instrument* is normally determined on the *Reference Exchange*.

"Leverage" is [for *Short Factor Indices*: -][2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]. It describes the effect of a change in the *Reference Instrument* on the respective *Factor Index*. [for *Short Indices*: The negative sign for the *Leverage* indicates that the *Short Factor Index* participates inversely in, i.e. in the opposite of, the performance of the *Reference Instrument*.]

"Index Calculation Agent" means Bank Vontobel AG, Gotthardstrasse 43, 8002 Zurich, Switzerland

"Index Calculation Day" means every day from Monday to [Friday] [Sunday].

"Index Calculation Period" [for an *Index Calculation Day* means from [08:00 to 22:00 CET] [00:00 to 24:00 CET]] [means from Monday 0:00 to Friday 21:00 (London time in each case)] [means from Monday 0:00 to Friday 24:00 CET] [means from Monday 0:00 to Sunday 24:00 CET].

"Index Fee" means [0.1] [0.2] [0.3] [0.4] [0.5] [0.6] [0.7] [0.8] [0.9] [1.0] [1.1] [1.2] [1.3] [1.4] [1.5] [1.75] [2.0] [2.25] [2.5] [2.75] [3.0] [3.25] [3.5] [3.75] [4.0] [4.25] [4.5] [4.75] [5.0]% per annum. The *Index Fee* is charged each calendar day, beginning as of the *Index Start Date*. It is calculated on the basis of a 360-day year and the most recently calculated *Index Closing Value*.

"Index Closing Value" is calculated for each *Index Calculation Day* by the *Index Calculation Agent* in accordance with section C) 1) of this index description on the basis of the *Valuation Price* of the *Reference Instrument* for that *Index Calculation Day* and published in accordance with section E) of this index description.

"Index Start Date" means [1] [2] [3] [4] [5] [6] [7] [8] [9] [10] [11] [12] [13] [14] [15] [16] [17] [18] [19] [20] [21] [22] [23] [24] [25] [26] [27] [28] [29] [30] [31] [January] [February] [March] [April] [May] [June] [July] [August] [September] [October] [November] [December] [2014] [2015] [2016] [2017] [2018] [2019] [2020].

"Index Start Value" is [10] [100] [1,000] [10,000] index points and represents the Index Closing Value on Index Calculation Day T=0 for the purposes of calculating the index in accordance with C).

"Index Currency" means USD.

"Information Page" means <https://indices.vontobel.com>.

"Reference Instrument Price" means at any time during the *Index Calculation Period* the price of the *Reference Instrument* in the international interbank market, as determined by the *Index Calculation Agent* in its reasonable discretion.

"Reference Exchange" means [insert the relevant Reference Exchange for the Reference Instrument in accordance with the Reference Instrument List in section IX.5.2].

"Reference Instrument" means [insert name in accordance with the Reference Instrument List in section IX.5.2].

Currency: USD

ISIN: [insert ISIN in accordance with the Reference Instrument List in section IX.5.2]

"Barrier" is [2][3][4][5][6][7][8][9][10][12][14][15][17][19][20][21][22][23][24][25][26][27][28][29][30][31][33][35][40][42][45][47][48]%. It indicates the maximum permitted [for Long Factor Indices: negative] [for Short Factor Indices: positive] change in price of the *Reference Instrument* compared with its most recent *Valuation Price* before an *Intraday Index Adjustment* takes place.

"Derivatives Exchange" means [insert Derivatives Exchange in accordance with the Reference Instrument List in section IX.5.2].

"Interest Rate" means

USD [1W-] [1M-] LIBOR [O/N (overnight)].

LIBOR stands for London InterBank Offered Rate. LIBOR is an average interest rate based on information submitted by the contributing banks. The panel banks indicate the interest rates at which they are able to refinance their own interbank activities in the relevant currency for the relevant term on an unsecured basis. To calculate the reference interest rate, the highest and lowest quartiles of these interest rates are eliminated, and the remaining interest rates are averaged. LIBOR is calculated for 7 different terms and 5 different currencies. The LIBOR interest rates (ICE Libor) are administered by ICE Benchmark Administration Limited (IBA) and determined each business day at 11 a.m. (London time). [1W-] [1M-] LIBOR [O/N (overnight)] stands for terms of 1 [week] [month] [day].]

If the *Interest Rate* is neither set nor published on an *Index Calculation Day*, the *Interest Rate* applied on the immediately preceding *Index Calculation Day* to calculate the Index in accordance with section C) is used.

If the *Interest Rate* has neither been set nor published for ten consecutive *Index Calculation Days*, the *Index Calculation Agent* has the right and obligation to stipulate in its reasonable discretion an alternative relevant *Interest Rate* which has functions comparable to the previous *Interest Rate*.

C) Index calculation

The *Factor Index* shall be calculated for the first time on the *Index Start Date*. The initial level of the Index on the *Index Start Date* corresponds to the *Index Start Value*. The respective current index level is calculated by the *Index Calculation Agent* on a continuous basis during the trading period of the *Reference Instrument* on the *Reference Exchange* on each *Index Calculation Date*, rounded to two decimal places and published in accordance with section E).

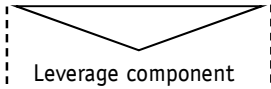
One index point corresponds to one unit of the *Index Currency*.

C) 1) Index formula

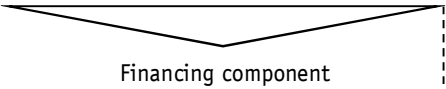
The *Factor Index* is calculated for each time *t* during an *Index Calculation Day T* in accordance with the following formula:

[for Long Factor Indices:

$$IDX_t = IDX_{T-1} \times \left\{ 1 + L \times \left(\frac{R_t}{R_{T-1}} - 1 \right) - [(L-1) \times (IR_{T-1} + FS_T) + IG] \times \frac{d}{360} \right\}$$



Leverage component



Financing component

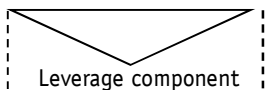
where:

- T = current Index Calculation Day
- IDX_t = Index Value at time *t* on Index Calculation Day T
- IDX_{T-1} = Index Closing Value on Index Calculation Day T-1 which immediately precedes the current Index Calculation Day T
- L = Leverage (Factor): [insert Leverage in accordance with B)]
- R_t = Reference Instrument Price at time *t*
- R_{T-1} = Valuation Price on Index Calculation Day T-1
- IR_{T-1} = Interest Rate on Index Calculation Day T-1
- FS_T = Financing Spread on Index Calculation Day T
- IG = Index Fee
- d = Number of calendar days between Index Calculation Days T-1 and T

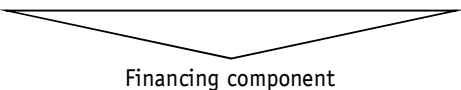
]

[for Short Factor Indices:

$$IDX_t = IDX_{T-1} \times \left\{ 1 + L \times \left(\frac{R_t}{R_{T-1}} - 1 \right) + [(1-L) \times IR_{T-1} + L \times FS_T - IG] \times \frac{d}{360} \right\}$$



Leverage component



Financing component

where:

T	=	current Index Calculation Day
IDX _t	=	Index Value at time t on Index Calculation Day T
IDX _{T-1}	=	Index Closing Value on Index Calculation Day T-1 which immediately precedes the current Index Calculation Day T
L	=	Leverage (Factor): [<i>insert Leverage in accordance with B</i>)]
R _t	=	Reference Instrument Price at time t
R _{T-1}	=	Valuation Price on Index Calculation Day T-1
IR _{T-1}	=	Interest Rate on Index Calculation Day T-1
FS _T	=	Financing Spread on Index Calculation Day T
IG	=	Index Fee
d	=	Number of calendar days between Index Calculation Days T-1 and T

]

C) 2) Intraday Index Adjustment

[for Long Factor Indices:

If at time s on Index Calculation Day T the Reference Instrument Price falls below the most recent Valuation Price of the Reference Instrument by more than [*insert Barrier in accordance with B*)]% (Barrier), an "Intraday Index Adjustment" takes place, simulating a new day:

$$\begin{aligned} s &= T, \text{ i.e. } \text{IDX}_{T-1} (\text{new}) = \text{IDX}_s \\ R_{T-1} (\text{new}) &= R_{T-1} (\text{old}) \times [\textit{insert difference between 1 and the Barrier in accordance with B}] \\ d &= 0 \end{aligned}$$

A new Valuation Price valid after time s (R_{T-1} (new)) is calculated by multiplying the previous Valuation Price (R_{T-1} (old)) by [*insert difference between 1 and the Barrier in accordance with B*)]. The financing component remains unchanged. No additional interest or costs are incurred for the newly simulated day.]

[for Short Factor Indices:

If at time s on Index Calculation Day T the Reference Instrument Price exceeds the most recent Valuation Price of the Reference Instrument by more than [*insert Barrier in accordance with B*)]% (Barrier), an "Intraday Index Adjustment" takes place, simulating a new day:

$$\begin{aligned} s &= T, \text{ i.e. } \text{IDX}_{T-1} (\text{new}) = \text{IDX}_s \\ R_{T-1} (\text{new}) &= R_{T-1} (\text{old}) \times [\textit{insert total of 1 and the Barrier in accordance with B}] \\ d &= 0 \end{aligned}$$

A new Valuation Price valid after time s (R_{T-1} (new)) is calculated by multiplying the previous Valuation Price (R_{T-1} (old)) by [*insert total of 1 and the Barrier in accordance with B*)]. The financing component remains unchanged. No additional costs are incurred for the newly simulated day.]

D) Extraordinary adjustment of the index calculation

In the event of an *Extraordinary Adjustment Event* occurring in relation to the Reference Instrument, the Index Calculation Agent will adjust the index calculation on the Reference Date (as defined below). In doing so, the Index Calculation Agent will endeavour – as far as possible – to calculate the leverage component as if no *Extraordinary Adjustment Event* had occurred.

The Index Calculation Agent will generally adjust the index calculation by correcting the relevant Valuation Price for the Reference Instrument on Index Calculation Day T-1 on the Reference Date, in

its due discretion. The *Index Calculation Agent* may, in exercising its discretion, base the timing and substance of the adjustment on the manner in which the *Reference Exchange* or the *Derivatives Exchange*, respectively, make corresponding adjustments to the *Reference Instrument* itself or to futures or options contracts on the *Reference Instrument*, but shall not be obliged to do so. In cases of doubt about the application of the adjustment rules of the *Derivatives Exchange*, the *Index Calculation Agent* shall decide such questions in its reasonable discretion.

The *Index Calculation Agent* may adjust the index calculation in some other manner if it deems such adjustment necessary in its due discretion in order to reflect differences between this Index and the futures and options traded on the *Derivatives Exchange*.

The list of *Extraordinary Adjustment Events* listed in section B) is not exhaustive. The deciding factor is whether the *Derivatives Exchange* deems an adjustments of the contract size, an underlying or the involvement of relevant *Reference Exchange* determining the price of the *Reference Instrument* to be necessary. If neither futures nor options linked to the *Reference Instrument* are traded on the *Derivatives Exchange*, the adjustment shall be made in a manner in which the *Derivatives Exchange* would do so if corresponding futures or options were traded there. In cases of doubt about the application of the adjustment rules of the *Derivatives Exchange*, the *Index Calculation Agent* shall decide such questions in its reasonable discretion. The rules and regulations of the *Derivatives Exchange* shall apply in addition to the provisions set out above.

"**Reference Date**" within the meaning of this index description means the first *Index Calculation Day* on which the relevant futures or options are traded on the *Derivatives Exchange* after taking the adjustment into account, or would be so traded if corresponding futures or options were traded on the *Derivatives Exchange*.

Adjustments relating to the *Factor Index* and all other measures taken under this section will be published by the *Index Calculation Agent* in accordance with section E).

E) Notices

All notices pertaining to the *Factor Index* will be given by means of publication on the *Information Page*. Such notices shall be deemed to have been given on the date on which they are first published.

Notices are given for information purposes only and do not represent a precondition for legal effectiveness.

]

5.2 Reference Instrument List (precious metals and commodities)

Name	Currency	ISIN	Reference Exchange	Valuation Price	Derivatives Exchange
Gold (Troy Ounce)	USD	XC0009655157	ICE Benchmark Administration Limited	LBMA Gold Price PM	COMEX (CME Group)
Silver (Troy Ounce)	USD	XC0009653103	CME Benchmark Europe Ltd / Thomson Reuters Benchmark Services Ltd	LBMA Silver Price	COMEX (CME Group)
Palladium (Troy Ounce)	USD	XC0009665529	London Metal Exchange (LMEbullion)	LBMA Palladium Price PM	NYMEX (CME Group)
Platinum (Troy Ounce)	USD	XC0009665545	London Metal Exchange (LMEbullion)	LBMA Platinum Price PM	NYMEX (CME Group)

X. TAXATION OF THE SECURITIES

All **taxes and fees or other levies** that may be incurred in connection with a Security (e.g. as a result of the purchase or sale of the Securities during their term or upon the redemption of the Securities by payment of a cash amount) **shall be borne in their entirety by the holder of the respective Security**. The Issuer and/or the Paying Agent has the right to charge any such taxes, fees or levies to the holders of the Securities and may do so, in its due discretion, either by **including them in the calculation of the price** of the Securities or by **withholding the relevant amount** upon the redemption of the Securities or in some other suitable way.

1. Taxation in Germany

The following description of the tax treatment of the Securities in Germany is not intended to be a comprehensive presentation of all the information necessary for an investment in products of this type. It contains only a general overview of the Issuer's current understanding of the taxation of income from the Securities, and is based on the tax regulations currently in force and the practice of the administrative authorities in Germany in relation to the security structures presented above.

Since, in particular, the personal tax position of the individual investor cannot be taken into account, every investor is recommended to consult a member of the professions specialising in the provision of tax advice prior to making an investment.

In the context of the tax assessment of the individual investor, the opinion of the respective competent tax authority on the tax treatment of income from the Securities may differ in individual cases – especially in the future – from the treatment set out below. It may be possible to eliminate the resulting uncertainty in advance (against payment of a fee) by requesting a binding opinion from the competent tax authority.

1.1 Taxation of income in the hands of resident natural persons holding the Securities as private assets

Income from Securities held as private assets is subject to the final withholding tax (*Abgeltungsteuer*) irrespective of whether it represents income from the sale of the Securities or a cash payment to the investor, for example in the form of a Cash Amount. The length of time between the purchase of the Securities and their sale or the payment of a Cash Amount is immaterial from a tax point of view.

1.1.1. Deduction of tax at source by the paying agent

The final withholding tax is levied in the form of the deduction of investment income withholding tax at source by the agent paying the investment income ("**paying agent**").

The rate of investment income withholding tax is 25% (plus 5.5% solidarity surcharge and therefore 26.375% in total). If the investor is liable to church tax, the church tax can be deducted and paid over by the paying agent. For investment income received up to 31.12.2014, church tax is deducted at the written request of the investor. If an investor liable to church tax has not submitted a request to the relevant financial institution, an assessment to church tax is issued. For investment income received from 1.1.2015 onward, the relevant data for the deduction of church tax are stored at the German Federal Central Tax Office (*Bundeszentralamt für Steuern*, "**BZSt**") and made available to the paying agent. Investors can veto the provision of information about their religion by the BZSt (the data is then marked as restricted), in which case an assessment to church tax is issued.

The basis of assessment to investment income withholding tax is in principle the full amount of the investment income without any deductions. If an investor liable to church tax has submitted a request for church tax to be deducted in respect of investment income received up to 31.12.2014 or if the investor has not vetoed the provision of data by the BZSt in respect of investment income received after 1.1.2015, the final withholding tax is reduced by 25% of the church tax payable on the investment income. In this way, church tax is deducted on a standardised basis as a special expense.

In the event of the sale or redemption of the Securities, investment income withholding tax is assessed on the difference between the sale proceeds, net of the directly and objectively related costs of sale, (in the event of a sale) or the amount paid on redemption, on the one hand, and the cost of purchase and incidental costs of purchase for which evidence has been provided, on the other. If evidence of the cost of purchase and incidental costs of purchase is not provided, the amount subject to investment income withholding tax is assumed to be 30% of the proceeds from the sale of the Securities. If the assumed basis of assessment is applied, the taxpayer has the option in principle of assessment to the final withholding tax. If the basis of assessment for the purpose of deducting investment income withholding tax is less than the income actually earned, the withholding tax is final only to the extent of the amount of income that was subject to the deduction of tax. An assessment must be issued in respect of the income in excess of that amount.

Any currency gains or losses that may arise if the right represented by the Securities is calculated in terms of a currency other than the settlement currency of the Securities or if the value of an underlying, a basket constituent or an index component is determined in a currency other than the settlement currency of the Securities, form part of the gain or loss on disposal resulting from the sale or redemption of the Securities.

For the purpose of calculating the investment income withholding tax, the paying agent takes into account negative investment income, provided that certain conditions are met and subject to certain limitations, with the exception of negative income from shares which the investor has already realised via the paying agent. This also applies in principle to accrued interest paid. Losses from disposals of shares may only be offset against gains from disposals of shares and can be carried forward to future years if not offset in full in the current year.

The investment income withholding tax levied by the paying agent arises at the time at which the investment income flows to the respective investor (section 44 (1) sentence 2 German Income Tax Act (*Einkommensteuergesetz*, "EStG")). This is normally the time at which the investor is credited with the cash amount due to him or with the proceeds from the sale of the Securities.

The paying agent does not deduct tax from income from the Securities if the investor provides it with a certificate of non-assessment from the investor's tax authority showing that the income from the Securities does not give rise to a tax liability for the investor, including in cases where the investor has elected for investment income to be taxed together with other income at the investor's normal income tax rate pursuant to section 32d (6) EStG (*Günstigerprüfung*).

If the investor has submitted an application to the paying agent for exemption for the purposes of the savers' allowance, the paying agent will not deduct tax for the corresponding amount.

1.1.2. Losses from the Securities

Losses from the Securities, for example from a sale of the Securities or if the cash payment to the investor is less than the cost of the Securities together with the incidental costs of purchase, may not be offset against positive income from other types of income. In principle, they may only be offset against the investor's income arising from capital assets (that is subject to the final withholding tax) in the current or subsequent assessment periods.

Losses from the Securities may be offset against positive investment income received by the individual investor from a different paying agent only as part of the investor's tax assessment. For this purpose, the investor requires a certificate of the amount of the unabsorbed loss, as provided for by section 43a (3) sentence 4 EStG, which the investor must request from the paying agent acting as custodian of the Securities. The necessary request must have been received by the paying agent by 15 December of the current year. If this is not the case, the loss from the Securities is carried forward to the following assessment periods and may only be offset against the investor's future positive investment income (from the same paying agent). Once this certificate of losses has been issued, the agent issuing the certificate is no longer required to carry the loss forward into the next year.

Investors who have realised losses from the Securities are recommended in all cases to consult a member of the professions specialising in the provision of tax advice in good time and to consider whether the losses from the Securities should be carried forward to subsequent assessment periods in order to offset them against future positive investment income from the same paying agent, or whether it is advisable in the particular case to submit an application for the issue of a certificate of losses in order to offset them against positive investment income immediately, for example against positive investment income from a different paying agent, as part of the investor's tax assessment.

With respect to Securities with a stop-loss or knock-out barrier whose term ends automatically on the occurrence of a barrier event, it should be noted that, in the opinion of the authorities currently prevailing, no taxable loss arises if an investor does not receive a payment at the end of the term of a certificate as a result of the fact that an underlying on which that certificate is based has moved outside a range specified in the terms and conditions of the issue (BMF circular dated 18 January 2016, BStBl. 2016 I page 85 (text number 8a)). While the tax authorities specifically refer only to certificates with a knock-out structure which typically expire worthless, they have also intended in the past to capture products where investors receive back only a fraction of the original cost and where therefore only negligible capital protection is guaranteed from an economic point of view (Münster Regional Tax Office communication dated 13 July 2009, *Kurzinfo ESt 21/2009*). In the case of those Securities with a stop-loss or knock-out barrier, therefore, there is a risk that the tax authorities will not recognise losses suffered by the investor for tax purposes, if the proceeds generated from the Securities amount to zero as the result of a barrier event or the investor receives back only a fraction of the original cost. Further, the tax authorities hold the view that a disposal (and, as a consequence, a tax loss resulting from such disposal) of capital claims or securities shall not be recognized if (i) the sales price does not exceed the actual transaction costs or (ii) the level of transaction costs is restricted because of a mutual agreement with the paying agent that the transaction costs are calculated by subtracting a certain amount from the sales price.

1.1.3. Deduction of expenses / savers' allowance

A savers' allowance (*Sparer-Pauschbetrag*) of EUR 801 is deductible for the purpose of determining the income of the individual investor from capital assets. For married couples assessed to tax jointly, the savers' allowance amounts to EUR 1,602.

On the other hand, the deduction of actual expenses connected with the investment (*Werbungskosten*) is not permitted, with the result that the individual investor cannot deduct any further expenses or costs incurred by him – in addition to his cost of purchase and incidental costs of purchase, together with the direct costs of sale in the event that the Securities are disposed of – from his taxable income. For example, if the investor incurs financing costs in connection with the Securities, those costs are not deductible for tax purposes.

The savers' allowance can be taken into account by the paying agent at the time when investment income withholding tax is deducted. A precondition for this, however, is that the investor has submitted an application for exemption to the paying agent in the officially prescribed form.

1.1.4. Investor's tax assessment / income tax return

The deduction of tax by the paying agent from the income arising from the Securities is in principle final, with the result that the investor is generally no longer assessed to tax on that income and no longer has to declare it in his personal income tax return.

Nevertheless, in specific cases there may be an option for the income to be assessed to tax – depending on the personal tax position of the individual investor – if, for example, that would result in a lower income tax liability for the investor (*Günstigerprüfung*), the investor has not fully used up the savers' allowance or if it would enable the income from the Securities to be offset against earlier losses or losses from capital assets from another paying agent.

But if, exceptionally, the income from the Securities is not subject to investment income withholding tax, for example because the Securities are held in a foreign securities account, the investor must declare the income from the Securities in his income tax return. Even in this case, however, the income is subject in principle to the 26.375% rate of final withholding tax (including the solidarity surcharge) and to church tax, if applicable.

If church tax is not deducted from the income from the Securities even though the investor is liable to church tax, for example because the investor has not submitted the relevant written request to the paying agent, the investor must give details of the investment income withholding tax levied on the income from the Securities in his personal income tax return, and must provide the relevant tax authority with a certificate from the paying agent of the investment income withholding tax deducted pursuant to section 51a (2d) sentence 2 EStG or section 45a (2) or (3) EStG.

Investors are recommended in all cases to consult a member of the professions specialising in the provision of tax advice in good time as to whether an assessment in respect of the income from the Securities is advisable or necessary in his personal circumstances from a tax point of view, what information he must disclose in his personal income tax return in relation to the income from the Securities and which documents and certificates must be attached to the tax return.

1.2 Taxation of income attributable to domestic business assets

If the Securities are held as domestic business assets, the resulting income is not subject to the final withholding tax.

If the Securities are held by a corporation, association or estate, the paying agent does not deduct investment income withholding tax from profits from the sale or redemption of the Securities in accordance with section 43 (2) sentence 3 number 1 EStG. This also applies if the Securities are held as business assets of a sole trader or partnership, and a declaration has been made to the paying agent using the officially prescribed form that the income from the Securities forms part of the business income of a domestic business (section 43 (2) sentence 3 number 2 EStG).

The restrictions described above for income from private capital assets affecting the offset of losses and the deduction of expenses do not apply. Business expenses are therefore deducted in accordance with the rules generally applicable. The same applies in principle to the deduction of losses, subject to the minimum taxation provisions (section 10d EStG). It may nevertheless be the case that losses from the Securities are prohibited as losses from derivatives transactions from being offset against other profits of the business or against the trader's income arising from other types of income, section 15 (4) sentences 3 et seqq. EStG.

The special rate of income tax for income from capital assets amounting to 26.375% (including the solidarity surcharge) plus any church tax does not apply.

Instead, the income is subject in the case of natural persons to the taxpayer's personal rate of income tax plus the solidarity surcharge and any church tax and, where applicable, (in the case of income from a trade) to trade tax. The amount of any liability to trade tax is generally dependent on the rate of assessment applied by the local authority in which the relevant investor maintains the permanent establishment to which the Securities are attributable for tax purposes. Any liability to trade tax, however, may be credited against the investor's income tax in accordance with the provisions of section 35 EStG.

If the particular investor is liable to corporation tax, the income from the Securities is subject both to corporation tax at the rate of 15% (plus 5.5% solidarity surcharge and therefore a total rate of 15.825%) and usually also to trade tax. The amount of the trade tax is generally dependent on the rate of assessment applied by the local authority in which the relevant corporation maintains the permanent establishment to which the Securities are attributable for tax purposes. However, trade tax cannot be credited against the liability to corporation tax nor can it be deducted as a business expense in calculating the taxable income of the corporation.

If the Securities are held by a partnership, the resulting income is subject to the individual partner's personal rate of income tax (plus the solidarity surcharge and any church tax) if the partners are natural persons and – in the case of a commercial partnership (*Mitunternehmerschaft*) – also to trade tax at the level of the partnership. The amount of any liability to trade tax is generally dependent on the rate of assessment applied by the local authority in which the relevant partnership maintains the permanent establishment to which the Securities are attributable for tax purposes. If the partnership itself is not liable to trade tax and if the natural person's share in the partnership is held as business assets, the income is subject to trade tax in the hands of the partner. The partnership's trade tax liability, however, may be offset against the income tax liability of the individual partners in accordance with the provisions of section 35 EStG.

If shares in the partnership are held by corporations, the income from the Securities is subject to the 15.825% rate of corporation tax (including the solidarity surcharge) in the hands of the partners. In the case of a commercial partnership (*Mitunternehmerschaft*), the income is also subject to trade tax at the level of the partnership. If the partnership is not liable to trade tax, the income from the Securities attributable to the corporations is subject to trade tax in the hands of the corporations.

1.3 Taxation of the income for tax non-residents

The income from the Securities is not taxable in Germany in the hands of persons who are not resident for tax purposes in Germany unless (i) the Securities are attributable for tax purposes to the business assets of a permanent establishment in Germany (including a permanent establishment constituted by a permanent representative), or (ii) the income from the Securities forms part of German taxable income for other reasons (e.g. as certain capital claims secured on German land holdings or similar assets, section 49 (1) number 5 letter c) EStG, or as income from a counter transaction, section 49 (1) number 5 letter d) EStG).

If the income from the Securities forms part of German taxable income, it is subject in principle – as in the case of tax residents – to investment income withholding tax at a rate of 26.375% (including the solidarity surcharge). Income or corporation tax on the income from the Securities may be deemed to have been finally settled by the deduction of withholding tax. In this event, the foreign investor is not subject to a tax assessment and the German investment income withholding tax charged is definitive, unless the German investment income withholding tax is refundable as a result of an applicable double taxation agreement or in accordance with the provisions of section 44a (9) EStG.

1.4 Responsibility for the deduction of withholding tax

As a general principle, the Issuer accepts no responsibility for the deduction of taxes at source. Such deductions are carried out by the paying agent.

1.5 Investment Tax Act not applicable

In the opinion of the Issuer, the German Investment Tax Act (*Investmentsteuergesetz*, "**InvStG**") does not apply to the Securities because the Issuer is not subject to any restrictions on the use of the investment monies and it therefore does not constitute an investment fund within the meaning of section 1 (1) of the German Capital Investment Act (*Kapitalanlagegesetzbuch*, "**KAGB**"), and the Securities can therefore also not be regarded as shares in UCITS or AIFs within the meaning of section 1 (2) or (3) KAGB, and therefore do not comply with the precondition set out in section 1 (1) sentence 1 InvStG.

Should the provisions of the InvStG be applicable to the Securities, contrary to the opinion of the Issuer, this could give rise to tax consequences for the investor that differ from those described in sections IX.1.1 to IX.1.3.

1.6 Inheritance and gift tax

The acquisition of the Securities as a result of death or the gift of the Securities *inter vivos* may be subject to inheritance and gift tax if the deceased at the time of his death, the donor at the time the gift is made or the recipient at the time the liability to tax arises (section 9 Inheritance Tax and Gift Tax Act (*Erbschaftsteuer- und Schenkungsteuergesetz*, "**ErbStG**")) has a residence or normal place of abode in Germany or if full or (extended) partial liability to tax arises because one of these persons has German nationality. If neither the deceased, the donor nor the recipient are tax residents at the relevant time, German domestic assets may nonetheless be subject to inheritance and gift tax, as in the case, for example, of Securities attributable to a permanent establishment in Germany or capital claims secured on German real estate holdings.

Transfers of capital assets qualify in principle as disposals for consideration which are subject to investment income withholding tax. If the investor informs the paying agent, giving the information referred to in section 43 (1) sentence 5 EStG, that the transfer is a transfer of capital assets for no consideration, then the paying agent is obliged to report this fact and the information provided to the tax authorities. In this event, investment income withholding tax is not deducted since for tax purposes the new creditor of the investment income takes the legal place of the previous investor with respect to the cost of the asset.

If the acquisition is subject to inheritance and gift tax, the taxable acquisition, after deducting allowances, is taxed at rates between 7% and 50% – in accordance with the tax class which depends on the personal relationship of the recipient to the deceased or the donor.

1.7 Other taxes

No stock exchange turnover tax, company transactions tax, financial transaction tax or similar tax is currently levied in Germany on the acquisition and sale of securities. Together with other member states of the European Union, however, Germany is planning to introduce such a financial transaction tax. It is so far not clear whether and when the financial transaction tax will be introduced and which financial transactions it is intended to tax.

2. Taxation in Italy

The following is a general overview of Italian law and practice as at the date of the Prospectus relating to certain Italian tax considerations concerning the purchase, ownership and disposal of the Bonus Certificates, Express Certificates and Guaranteed Certificates by Italian resident investors and does not in any way constitute, nor should it be relied upon as being, a tax advice or a tax opinion covering any or all of the relevant tax considerations surrounding or connected to the purchase, ownership or disposal of such Certificates by Italian or non-Italian resident investors. It does not purport to be a complete analysis of all tax considerations that may be relevant to a decision to purchase, own or dispose of such Certificates and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of Certificates, some of which may be subject to special rules.

This overview is based upon Italian tax laws and published practice in effect as at the date of the Prospectus, which may be subject to change, potentially with retroactive effect and assumes that the Certificates are issued on or after 1 January 2016. The Issuer does not withhold any taxes at source.

Prospective purchasers should be aware that tax treatment depends on the individual circumstances of each client: as a consequence they should consult their tax advisers as to the consequences under Italian tax law and under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of Certificates and receiving payments of interest, principal and/or other amounts under the Certificates, including in particular the effect of any state, regional or local tax laws.

2.1 Italian tax treatment of the Certificates

2.1.1. Italian resident individual investors not engaged in a commercial activity

Pursuant to the generally followed interpretation, payments in respect of Certificates qualifying as securitised derivative financial instruments received by Italian investors (not engaged in a commercial activity (*esercizio di attività commerciali*) to which the Certificates are connected) as well as capital gains realised by such Italian investors on any sale or transfer for consideration of the Certificates or redemption thereof are subject to a 26 per cent. substitutive tax (*imposta sostitutiva*). In respect of the application of the *imposta sostitutiva*, taxpayers may opt for one of the three regimes described below.

- a) Under the tax declaration regime (*regime della dichiarazione*), which is the ordinary regime for taxation of capital gains realised by Italian resident individuals not engaged in a commercial activity (*esercizio di attività commerciali*) to which the Certificates are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any incurred capital loss, realised by the Italian resident individual. The Investor holding Certificates not in connection with a commercial activity (*esercizio di attività commerciali*) must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay the *imposta sostitutiva* on such gains together with any balance of income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.
- b) As an alternative to the tax declaration regime, the Italian resident individual Investor holding the Certificates not in connection with a commercial activity (*esercizio di attività commerciali*) may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale, early redemption or redemption of the Certificates (the *risparmio amministrato regime* provided for by Article 6 of the Legislative Decree 21 November 1997, No. 461 as a

subsequently amended, the "**Decree No. 461**"). Such separate taxation of capital gains is allowed subject to: (1) the Certificates being deposited with Italian banks, SIMs or certain authorised financial intermediaries; and (2) an express valid election for the risparmio amministrato regime being punctually made in writing by the relevant Investor. The depository is responsible for accounting for the imposta sostitutiva in respect of capital gains realised on each sale or redemption of the Certificates (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian Tax Authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Investor or using funds provided by the Investor for this purpose. Under the risparmio amministrato regime, where a sale, early redemption or redemption of the Certificates results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same management, in the same tax year or in the following tax years up to the fourth. Under the risparmio amministrato regime, the Investor is not required to declare the capital gains in its annual tax return.

- c) Any capital gains realised or accrued by Italian resident individual investors holding the Certificates not in connection with a commercial activity (*esercizio di attività commerciali*) who have entrusted the management of their financial assets, including the Certificates, to an authorised intermediary and have validly opted for the so-called risparmio gestito regime (the regime provided by Article 7 of Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26 per cent. imposta sostitutiva, to be paid by the managing authorised intermediary. Under the risparmio gestito regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the risparmio gestito regime, the Investor is not required to declare the capital gains realised in its annual tax return.

2.1.2. Italian resident corporate entities, partnerships and individual investors engaged in a commercial activity

Any gain obtained from the sale, early redemption or redemption of the Certificates would be treated as part of the taxable income for general Italian corporate taxation ("**IRES**", levied at the rate of 27.5 per cent.) (and, in certain circumstances, depending on the "status" of the Investor, also as part of the net value of production for regional tax on productive activities ("**IRAP**", generally levied at the rate of 3.9 per cent., even though regional surcharges may apply) purposes) if realised by: (i) an Italian resident company; (ii) an Italian resident commercial partnership; (iii) the Italian permanent establishment of foreign entities to which the Certificates are effectively connected; or (iv) Italian resident individuals engaged in a commercial activity (*esercizio di attività commerciali*) to which the Certificates are connected.

2.1.3. Italian resident funds

Under the current regime provided by Law Decree No. 351 of 25 September 2001 converted into law with amendments by Law No. 410 of 23 November 2001, capital gains realised by an Investor which is an Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, and Article 14-bis of Law No. 86 of 25 January 1994 are subject neither to imposta sostitutiva nor to any other income tax in the hands of a real estate investment fund. A withholding tax may apply in certain circumstances at the rate of 26 per cent. on distributions made by real estate investment funds.

Any capital gains realised by an Investor which is an open-ended or closed-ended investment fund (the "Fund") or a SICAV will neither be subject to imposta sostitutiva nor to any form of taxation in

the hands of the Fund or of the SICAV, but any income paid by a Fund or by a SICAV in favour of its participants will be subject to taxation in accordance with the specific rules provided for the different kind of participants.

Any capital gains realised by an Investor which is an Italian pension fund (subject to the regime provided for by Article 17 of the Legislative Decree No. 252 of 5 December 2005, as subsequently amended) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the special 20 per cent. tax applicable to Italian pension funds.

2.1.4. Non-Italian resident investors

Capital gains realised by non-Italian resident investors from the sale or redemption of the Certificates are not subject to Italian taxation, provided that the Certificates (1) are transferred on regulated markets, or (2) if not transferred on regulated markets, are held outside Italy.

Moreover, even if the notes are held in Italy, no imposta sostitutiva applies if the non-Italian resident investor is resident for tax purposes in a Country which recognizes the Italian tax authorities' right to an adequate exchange of information.

The provisions of applicable tax treaties against double taxation entered into by Italy apply if more favourable and provided that all relevant conditions are met.

2.2 Atypical securities

Under a different interpretation of Italian tax law, Certificates may qualify as "atypical securities" (*titoli atipici*) and payments in respect of such Certificates received by Italian investors would be subject to the following regime:

- a) if the Certificates are placed (*collocati*) in Italy, payments made to individual investors holding the Certificates not in connection with a trade (*esercizio di attività commerciali*) will be subject to a 26 per cent. final withholding tax. This withholding tax is levied by the entrusted Italian resident bank or financial intermediary, if any, that is involved in the collection of payments on the Certificates, in the repurchase or in the transfer of the Certificates;
- b) if the Certificates are not placed (*collocati*) in Italy or in any case where payments on the Certificates are not received through an entrusted Italian resident bank or financial intermediary (that is involved in the collection of payments on the Certificates, in the repurchase or in the transfer thereof) and no withholding tax is levied, the individual beneficial owners will be required to declare the payments in their income tax return and subject them to a final substitute tax at a rate of 26 per cent. The Italian individual Investor may elect instead to pay ordinary IRPEF at the progressive rates applicable to them in respect of the payments; if so, the Investor should generally benefit from a tax credit for withholding taxes applied outside Italy, if any.

2.3 Inheritance and gift taxes

Transfers of any valuable assets (including the Certificates) as a result of death or inter vivos gift (or other transfers for no consideration) and the creation of liens on such assets for a specific purpose are taxed as follows:

- a) 4% if the transfer is made to spouses and direct descendants or ancestors; in this case, the transfer is subject to tax on that part of value that exceeds EUR 1,000,000 (per beneficiary);

- b) 6% if the transfer is made to brothers and sisters; in this case, the transfer is subject to the tax on that part of value that exceeds EUR 100,000 (per beneficiary);
- c) 6% if the transfer is made to relatives up to the fourth degree (*parenti fino al quarto grado*), to persons related by direct affinity as well as to persons related by collateral affinity up to the third degree (*affini in linea retta nonché affini in linea collaterale fino al terzo grado*); and
- d) 8% in all other cases.

If the transfer is made in favour of persons with severe disabilities, the tax applies on that part of value that exceeds EUR 1,500,000.

Moreover, an anti-avoidance rule is provided in case of gift of assets, such as the Certificates, whose sale for consideration would give rise to capital gains to be subject to the imposta sostitutiva provided for by Decree No. 461, as subsequently amended. In particular, if the donee sells the Certificates for consideration within five years from their receipt as a gift, the latter is required to pay the relevant imposta sostitutiva as if the gift had never taken place.

2.4 Transfer tax

Transfer tax previously generally payable on the transfer of the Certificates has been abolished. A EUR 200.00 registration tax may be applicable to the transfer of the Certificates under certain circumstances.

2.5 Stamp Duty

Pursuant to Law Decree No. 201 of 6 December 2011, a proportional stamp duty applies on an annual basis to the periodic reporting communications sent by financial intermediaries to their clients and relating to securities and financial instruments. The stamp duty applies at a rate of 0.20%; this stamp duty is determined on the basis of the market value or – if no market value is available – the nominal value or redemption amount of the securities held. The stamp duty cannot exceed the amount of EUR 14,000 if the recipient of the periodic reporting communications is an entity (*i.e.*, not an individual).

It may be understood that the stamp duty applies both to Italian resident and non-Italian resident investors, to the extent that the notes are held with an Italian-based financial intermediary.

2.6 Wealth Tax

Pursuant to Law Decree No. 201 of 6 December 2011, Italian resident individuals holding the certificates abroad are required to pay a wealth tax (IVAFE) at a rate of 0.20% for each year. This tax is calculated on an annual basis on the market value of the certificates at the end of the relevant year or – if no market value is available – the nominal value or the redemption value of such financial assets held abroad.

Taxpayers are entitled to an Italian tax credit equivalent to the amount of any wealth tax paid in the State where the financial assets are held (up to an amount equal to the IVAFE due).

2.7 Financial Transaction Tax (FTT) depending on the features of the Certificates

Pursuant to Law No. 228 of 24 December 2012, a FTT applies to (a) transfer of ownership of shares and other participating securities issued by Italian resident companies or of financial instruments

representing the just mentioned shares and/or participating securities (irrespective of whether issued by Italian resident issuers or not) (the Relevant Securities), (b) transactions on financial derivatives (i) the main underlying assets of which are the Relevant Securities, or (ii) whose value depends mainly on one or more Relevant Securities, as well as to (c) any transaction on certain securities (i) which allow to mainly purchase or sell one or more Relevant Securities or (ii) implying a cash payment determined with main reference to one or more Relevant Securities.

Certificates could be included in the scope of application of the FTT if they meet the requirements set out above. On the other hand, Certificates falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) are not included in the scope of the FTT.

The FTT on derivative instruments is levied at a fixed amount that varies depending on the nature of the relevant instrument and the notional value of the transaction, and ranges between EUR 0.01875 and EUR 200 per transaction. The amount of FTT payable is reduced to 1/5 of the standard rate in case the transaction is performed on regulated markets or multilateral trading facilities of certain EU and EEA member States. The FTT on derivatives is due by each of the parties to the transactions. FTT exemptions and exclusions are provided for certain transactions and entities.

The FTT is levied and paid by the subject (generally a financial intermediary) that is involved, in any way, in the execution of the transaction. Intermediaries who are not resident in Italy but are liable to apply the FTT can appoint an Italian tax representative for the purposes of the FTT. If no intermediary is involved in the execution of the transaction, the FTT must be paid by the taxpayers. Investors are advised to consult their own tax advisers also on the possible impact of the FTT.

2.8 Tax monitoring obligations

Italian resident individuals (and certain other entities) are required to report in their yearly income tax return, according to Law Decree No. 167 of 28 June 1990, converted into law by Law No. 227 of 4 August 1990, for tax monitoring purposes, the amount of Certificates held abroad (or beneficially owned abroad under Italian anti-money laundering provisions). This also applies in the case that at the end of the tax year, Certificates are no longer held by the above Italian resident individuals and entities.

However, the above reporting obligation is not required with respect to Certificates deposited for management with qualified Italian financial intermediaries and with respect to contracts entered into through their intervention, provided that the same intermediaries apply a withholding tax or *imposta sostitutiva* on any income derived from income derived from the Certificates.

XI. GUARANTEE

Bank Vontobel Europe AG, Munich, Germany (the "**Guarantor**") hereby unconditionally and irrevocably guarantees to the holders of the securities (the "**Creditors**") issued by Vontobel Financial Products GmbH, Frankfurt am Main, Germany (the "**Debtor**") under this Base Prospectus (the "**Securities**") the due payment of all amounts payable in accordance with the Terms and Conditions of the Securities, subject to the following conditions:

- This guarantee constitutes a contract in favour of the Creditors as third party beneficiaries pursuant to § 328 (1) of the German Civil Code (*Bürgerliches Gesetzbuch*) entitling each Creditor to demand performance of the payment obligations undertaken by the Guarantor and to enforce such payment obligations against the Guarantor (the "**Guarantee**").
- This Guarantee constitutes direct, unsubordinated and unsecured obligations of the Guarantor ranking, in the event of dissolutions, liquidation or insolvency of the Guarantor or any proceeding to avoid insolvency of the Guarantor, *pari passu* with all other present and future unsubordinated and unsecured obligations of the Guarantor, save for such obligations which may be preferred by applicable law.
- The intent and purpose of this Guarantee is to ensure that the Creditors, under any and all circumstances, whether factual or legal, and irrespective of validity or enforceability of the obligations of the Debtor, or any other reasons on the basis of which the Debtor may fail to fulfil its payment obligations, receive on the respective due date any and all sums payable on the maturity date in accordance with the Terms and Conditions of the Securities.
- Upon first written demand by the Creditors and their written confirmation that an amount under the Securities has not been paid when due by the Debtor, the Guarantor shall pay to them all amounts required to fulfil the intent and purpose of this Guarantee specified in paragraph 3 above. Payments under this Guarantee are subject to (without limitation) the Terms and Conditions of the Securities.
- Upon discharge of any obligations of the Debtor or the Guarantor subsisting under the Securities or under this Guarantee in favour of a Creditor, the relevant guaranteed right of such Creditor under the Securities or the Guarantee, respectively, shall cease to exist.
- The form and content of this Guarantee as well as all rights and duties arising therefrom are governed exclusively by the laws of the Federal Republic of Germany. Non-exclusive court of venue for all litigation with this Guarantee and arising from the legal relations established under this Guarantee is Munich.

Munich, 3 May 2016

Bank Vontobel Europe AG

signed Jürgen Kudszus

signed Dr. Wolfgang Gerhardt

XII. FORM OF FINAL TERMS

**Final Terms****dated •**

[in the case of a replacement (which term shall exclude the case of an Increase) of the Final Terms:

(which replace the Final Terms dated •)]

for

Constant Leverage Certificates

based on the

[2][3][4][5][6][7][8][9][10][12][15][16][17][18][19][20][40]X [Long] [Short]
Index linked to •

[ISIN •]

(the "Securities")

Vontobel Financial Products GmbH

Frankfurt am Main, Germany

(the "Issuer")

Bank Vontobel Europe AG

Munich, Germany

(in its capacity as offeror, the "Offeror" and in its capacity as guarantor, the "Guarantor", as the case may be)

These Final Terms were prepared for the purposes of Article 5 (4) of Directive 2003/71/EC and should be read in conjunction with the Base Prospectus (including any supplements) dated 3 May 2016. It should be noted that only the Base Prospectus dated 3 May 2016 and these Final Terms together contain all the information about the Issuer, the Guarantor and the Securities offered. The Base Prospectus, any supplements and these Final Terms are published on the Issuer's website (<https://certificates.vontobel.com>) whereby the Final Terms are accessible by entry of the respective ISIN on the page <https://certificates.vontobel.com> and the Base Prospectus and any supplements thereto are directly accessible on the page <https://certificates.vontobel.com> under the section <<Legal Documents>>. **A summary for the specific issue is appended to these Final Terms.**

The Base Prospectus dated 3 May 2016 is valid up to *[date twelve months following its approval to be included •]* according to § 9 section 1 WpPG. In case a base prospectus has been prepared and approved which follows the respective current base prospectus, such base prospectus will be published on the website <https://certificates.vontobel.com> under the section <<Legal Documents>> on the last day of the validity of the respective current base prospectus at the latest.

These Final Terms were prepared for the purposes of [the Public Offer of the Securities] *[insert only in the case of a Private Placement: the admission to trading on a regulated market in the context of a Private Placement]*. [The issue of the Securities is [a new issue] [the *[insert number of Increase: •]* Increase].]

Securities identification numbers: ISIN:● [/ WKN: ●] [/ Valor: ●] [/] [*insert another securities identification number, if any: ●*]

Total offer volume: ● Securities

I. TERMS AND CONDITIONS

The information below completes the Terms and Conditions as laid out in chapter VIII. of the Base Prospectus dated 3 May 2016 by completing the specific features of the Securities to be offered under these Final Terms as follows:

Section 2 Definitions

Cash Amount	[The Cash Amount shall correspond to the Reference Price of the Underlying on the Valuation Date divided by the Ratio.]	
	[The Cash Amount shall correspond to the Reference Price of the Underlying on the Valuation Date multiplied by the Ratio.]	
Currency Conversion	All cash amounts payable under the Securities shall – if Settlement Currency and the Currency of the Underlying differ – be converted into the Settlement Currency at the Conversion Rate.	
	<p>"Conversion Rate" means [[the relevant conversion rate between the Currency of the Underlying and the Settlement Currency, as determined by the European Central Bank for the Valuation Date and as retrievable on the website of the European Central Bank, www.ecb.int, under the heading "Euro Foreign Exchange Reference Rates".] <i>[insert modified provision for the determination of the relevant Conversion Rate, as the case may be: ●]</i></p> <p>If such a Conversion Rate is not determined or published, the Calculation Agent shall specify the Conversion Rate applicable at the time of determination of the Reference Price on the Valuation Date in its reasonable discretion.</p>	
Exercise Agent	shall mean	<p>[BNP PARIBAS Securities Services, Milan Branch Via Ansperto no. 5 20123 Milan Italy Telephone: +39 02 7247 4156 – 4292 Fax: +39 02 7247 4130 – 4260]</p> <p>[Bank Vontobel AG for the attention of Corporate Actions Gotthardstrasse 43 8002 Zurich Switzerland Telephone: +41 (0)58 283 74 69 Fax: +41 (0)58 283 51 60]</p> <p>[●]</p>
Exercise Cut-off Date	shall mean each [fifth (5 th)] [●] [Business Day] [●] before an Exercise Date.	
Exercise Dates	shall mean ● [, commencing as of ●].	
Exercise Time	●	
Renouncement Cut-Off Time	Notice	[4.00 pm (Milan time) on the Expiry Date (<i>Data di Scadenza</i>), if applicable in accordance with Borsa Italiana S.p.A. regulations applicable from time to time (please also see the form of renouncement notice set out at Annex of these Final Terms).] [●]

Expiry Date (<i>Data di Scadenza</i>)	[shall mean the Valuation Date.] [[●] Business Days following the Valuation Date.] [●]
Issue Date	●
Issue Size	(up to) ● Securities.
Maturity Date	shall be at the latest the [fifth (5 th)] [seventh (7 th)] [●] Business Day following the Valuation Date.
Minimum Exercise Number	●
Ratio	The Ratio shall be expressed as a [fraction and shall amount to ● : ●] [number and shall amount to ●].
Reference Price	The Reference Price shall be the relevant price of the Underlying for the purpose of determining and calculating the Cash Amount and shall correspond to the [index [opening] [closing] value determined and published by the Index Calculation Agent on the Valuation Date] [●].
Registry Type	[German Global Certificates] [Italian Uncertificated Securities]
Settlement Currency	of the Securities shall mean [EUR] [USD] [●].
Termination Cut-Off Date	shall be [30 [Business] Days] [●] prior to the relevant Termination Date.
Termination Date	shall mean ● [, commencing as of ●].
Underlying	[insert name of Factor Index: ●] [ISIN: ●] Currency of the Underlying: [EUR][USD][CHF][JPY][HKD][SGD][GBP] [NOK][SEK][AUD][DKK]
Valuation Date	shall mean [(a) in case of valid exercise by the Security Holder pursuant to section 4 of the Terms and Conditions the relevant Exercise Date; (b) in case of Ordinary Termination by the Issuer pursuant to section 5 of the Terms and Conditions the Ordinary Termination Date; (c) in other cases [●] which is the date on which the Security Right is deemed to be exercised automatically pursuant to section 3 of the Terms and Conditions.] [the Expiry Date] [●]. If the Valuation Date is not an Index Day, the Valuation Date shall be postponed to the next following Index Day.

II. INDEX DESCRIPTION

[Factor Index with a share, security representing shares or other dividend-bearing security as the Reference Instrument: insert index description from chapter IX.1.1]

[Factor Index with an index as the Reference Instrument: insert index description from chapter IX.2.1]

[Factor Index with an exchange rate as the Reference Instrument: insert index description from chapter IX.3.1]

[Factor Index with a future or interest rate future as the Reference Instrument: insert index description from chapter IX.4.1]

[Factor Index with a precious metal or commodity as the Reference Instrument: insert index description from chapter IX.5.1]

III. FURTHER INFORMATION ON THE OFFER OF THE SECURITIES

1. Stock exchange listing and trading arrangements

Stock exchange listing: [Not applicable] [Application is made for the Securities
[to be admitted to trading
[on the regulated market Mercato Telematico of securitised
derivatives ("SeDeX") of Borsa Italiana S.p.A. ("Borsa")]
[insert further stock exchange(s), as the case may be: ●]
[and]]
[to be included in the regulated unofficial market of
[insert applicable stock exchange(s), as the case may be: ●]]].
[If known, insert the first dates on which the Securities will be
admitted to trading: ●]

[Other existing stock exchange listings: [●]
[Insert in the case of an increase of issue if the original Securities
are already listed: ●]]

[Last stock exchange trading day: ●]

[Minimum trading size: ●]

2. Terms of the offer

[In the case of a public offer, insert:

The Issue Price and the Value Date (*Data di Valuta*) of the Securities and the start of the Public Offer are specified below.]

[In the case of a Private Placement, insert:

The Issue Price and the Value Date (*Data di Valuta*) of the Securities are specified below.]

Issue Price: ●

Value Date (*Data di Valuta*): ●

Public Offer: [insert only in the case of a private placement which at the same
time is admitted to trading on a regulated market: Not applicable]
[in Italy starting from: ●]

[If placement is planned by door-to-door selling as described below, then insert:

●, with registered office ● (website: ●) will act as lead manager (the "Lead Manager"), "Responsabile del Collocamento" pursuant to article 93-bis of the Italian Legislative Decree n. 58 dated 14.2.1998, as amended, in connection with the Offer.

The Offer Period for the Securities placed through "door-to-door selling" (pursuant to Article 30 of the Italian Legislative Decree n. 58 dated 24 February 1998, as amended, the "Italian Financial Service Act") shall be from ● (inclusive) to ● (inclusive), save in case of early termination or extension as agreed between the Issuer and the Lead Manager.]

[The Public Offer will end with the term of the Securities[, expected on *[insert Valuation Date of the Securities ●]* or – in case a base prospectus which follows the respective current base prospectus has not been published on the website <https://zertifikate.vontobel.com> under the heading <<Legal Documents>> on the last day of validity of the respective current base prospectus at the latest – on the last day of the validity of the respective current base prospectus according to § 9 section 1 WpPG [at the latest].] *[insert other provision regarding the expiry of the Public Offer, as the case may be: ●].*] The end of term of the Securities is specified in chapter II. (Terms and Conditions) of the Final Terms.

3. Publication of post-issuance information

[With the exception of the notices specified in the Terms and Conditions, the Issuer does not intend to publish any post-issuance information.] *[insert alternative provision with respect to publication of post-issuance information, where relevant: ●]*

[4. Additional Selling Restrictions

●]

APPENDIX

Issue-specific summary

[•]

XIII. INFORMATION INCORPORATED BY REFERENCE

Reference is made in the Base Prospectus in accordance with § 11 WpPG to information which represent an integral part of the Base Prospectus. The information so incorporated by reference into the Base Prospectus is in each case identified in the following table by designation of the document (including section and page number) in which the respective information is contained.

Document	Incorporated chapters / Page(s)	Chapter / Page(s) in the Base Prospectus
Registration Document dated 4 April 2016 of Vontobel Financial Products GmbH	All sections and pages	Section IV. / Page 57
Registration Document dated 29 April 2016 of Bank Vontobel Europe AG	All sections and pages	Section V. / Page 58

The aforementioned documents from which information is incorporated by reference are all published on the website of the Issuer (<https://certificates.vontobel.com> under the section <<Legal Documents>>).

XIV. SIGNATURES

Frankfurt am Main, 3 May 2016

signed by Dr. Holger Martin
Vontobel Financial Products GmbH

signed by Markus Schenk
Vontobel Financial Products GmbH

Frankfurt am Main, 3 May 2016

signed by Dr. Alexander Weitzel
Bank Vontobel Europe AG

signed by Fabian Kutt
Bank Vontobel Europe AG