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# The Republic of Austria

## Euro 30,000,000,000

### Medium Term Note Programme
### for the issue of Notes from 7 days to 70 years
### from the date of issue

**Arranger**

HSBC

This Offering Circular is dated 19 December 2012 and supersedes the Offering Circular dated 23 March 2007.

This Offering Circular is dated 19 December 2012 and supersedes the Offering Circular dated 23 March 2007 in respect of the Medium Term Note Programme (the "Programme") of The Republic of Austria (the "Republic").

Notes will have maturities from 7 days to 70 years from their issue date or variable maturities and may be subject to redemption in whole or in part, as specified in the applicable Pricing Supplement. Notes may be either interest bearing at fixed or variable rates or non-interest bearing and may be repayable at par, at a specified amount above or below par or at an amount determined by reference to a formula, in each case with terms as specified in the applicable Pricing Supplement. Notes will be issued in one or more series (each a "Series"). Each Series shall be all in bearer form or all in registered form and may be issued in one or more tranches (each a "Tranche") on different issue dates and on terms otherwise identical (except in relation to interest commencement dates and matters related thereto).

The Notes will be issued on a continuing basis to or through one or more dealers appointed in respect of a particular Tranche (each a "Dealer" and together the "Dealers").

Application has been made to list the Notes issued under the Programme on the Luxembourg Stock Exchange and the Vienna Stock Exchange. This Offering Circular comprises a descriptive notice for the purpose of giving the terms and conditions of Notes issued during the period of 12 months from the date of this Offering Circular. Notes issued pursuant to the Programme may be listed on one or more stock exchanges or may be unlisted, as specified in the applicable Pricing Supplement.

This Offering Circular neither constitutes a prospectus pursuant to Part II of the Luxembourg law on prospectuses for securities (*loi relative aux prospectus pour valeurs mobilières*) dated 10 July 2005 (the "Luxembourg Prospectus Law") which implements Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended (the "Prospectus Directive") nor a simplified prospectus pursuant to Chapter 2 of Part III of the Luxembourg Prospectus Law. Accordingly, this Offering Circular does not purport to meet the format and the disclosure requirements of the Prospectus Directive and Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive, and it has not been, and will not be, submitted for approval to any competent authority within the meaning of the Prospectus Directive and in particular the Supervisory Commission of the Financial Sector (*Commission de Surveillance du Secteur Financier*), in its capacity as competent authority under the Luxembourg Prospectus Law. The Notes, issued pursuant to this Offering Circular, will therefore not qualify for the benefit of the single European passport pursuant to the Prospectus Directive.

Notes of each Tranche of each Series to be issued in bearer form ("Bearer Notes", comprising a "Bearer Series") will initially be represented by interests in a temporary global note or by a permanent global note, in either case in bearer form (a "Temporary Global Note" and a "Permanent Global Note", respectively, and each a "Global Note"), without interest coupons. If the Global Notes are stated in the applicable Pricing Supplement to be issued in new global note ("NGN") form the Global Notes will be delivered on or prior to the original issue date of the relevant Tranche to a common safekeeper (the "Common Safekeeper") for Euroclear Bank S.A./N.V. ("Euroclear") and Clearstream Banking, *société anonyme* ("Clearstream, Luxembourg"). Global notes which are not issued in NGN form ("Classic Global Notes" or "CGNs") will be deposited on the issue date of the relevant Tranche with a common depositary on behalf of Euroclear and Clearstream, Luxembourg (the "Common Depositary"). In certain circumstances,[1] an interim note (an "Interim Note") will be issued to initially represent the Temporary Global Note or Permanent Global Note, as applicable, to be held by the Common Depositary or the

[1] When the Issue Date (as defined herein) for a particular Series of Notes falls in a Fiscal Year (meaning, for the purposes of this Offering Circular, a year commencing on (and including) 1 January of any year and ending on (and including) 31 December of the same year) and the Maturity Date (as defined herein) falls in another Fiscal Year and when it is not possible to obtain the countersignature of the Court of Accounts on the applicable Temporary Global Note and/or the applicable Permanent Global Note before the Issue Date of such Temporary Global Note and/or Permanent Global Note.

Common Safekeeper (as the case may be) on behalf of Clearstream, Luxembourg and Euroclear because such Temporary Global Note or Permanent Global Note will need to be countersigned by the Republic of Austria Court of Accounts immediately after the Issue Date for that particular Series of Notes. In such circumstances, interests in the Interim Note will be exchanged in whole but not in part for interests in the Temporary Global Note or Permanent Global Note, as applicable, immediately upon receipt by the Common Depositary or the Common Safekeeper of the countersigned Temporary Global Note or Permanent Global Note, as applicable. Interests in a Temporary Global Note will be exchangeable, in whole or in part, for interests in a Permanent Global Note or for definitive Bearer Notes (as specified in the relevant Pricing Supplement) on or after the first day following the expiry of 40 days after the relevant issue date, upon certification as to non-U.S. beneficial ownership or on a date specified in the relevant Pricing Supplement. A Global Note may only be exchanged for definitive Bearer Notes in certain limited circumstances as described herein.

Notes of each Tranche of each Series to be issued in registered form ("Registered Notes" comprising a "Registered Series") and which are sold in an "offshore transaction" within the meaning of Regulation S under the U.S. Securities Act of 1933 (the "Securities Act"), will initially be represented by interests in a definitive global unrestricted Registered Note (each a "Regulation S Global Note"), without interest coupons, which will be deposited with the Common Depositary for, and registered in the name of a common nominee of Clearstream, Luxembourg and Euroclear on its issue date. If the Regulation S Global Notes are stated in the applicable Pricing Supplement to be held under the New Safekeeping Structure (the "NSS"), the Regulation S Global Notes will be delivered on or prior to the original issue date of the relevant Tranche to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Regulation S Global Note will be shown on, and transfers thereof will be effected only through records maintained by, Euroclear or Clearstream, Luxembourg. Notes of each Tranche of each Registered Series sold to a qualified institutional buyer within the meaning of Rule 144A under the Securities Act, as referred to in, and subject to the restrictions described in, "Subscription and Sale" and "Transfer Restrictions", will initially be represented by a definitive global restricted Registered Note (each a "DTC Restricted Global Note" and together with any Regulation S Global Notes, the "Registered Global Notes"), without interest coupons, which will be deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company ("DTC") on its issue date. Beneficial interests in a DTC Restricted Global Note will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its participants. See "Clearing and Settlement". In certain circumstances,[2] an Interim Note will be issued to initially represent the Regulation S Global Note or the DTC Restricted Global Note, as applicable, to be held by the Common Depositary or the Common Safekeeper (as the case may be) on behalf of Clearstream, Luxembourg and Euroclear or the custodian for DTC, respectively, because such Regulation S Global Note or DTC Restricted Global Note, as applicable, will need to be countersigned by the Republic of Austria Court of Accounts immediately after the Issue Date for that particular Series of Notes. In such circumstances, interests in the relevant Interim Note will be exchanged in whole but not in part for interests in the respective Regulation S Global Note or DTC Restricted Global Note, as applicable, immediately upon receipt by the Common Depositary, Common Safekeeper or custodian, respectively, of the countersigned Regulation S Global Note or the DTC Restricted Global Note, as applicable. Definitive Registered Notes will only be available in certain limited circumstances as described herein.

This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Republic or HSBC Bank plc (the "Arranger") to subscribe or purchase, any of the Notes. The distribution of this Offering Circular and the offering of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Republic and the Arranger to inform

[2] When the Issue Date for a particular Series of Notes falls in a Fiscal Year and the Maturity Date falls in another Fiscal Year and when it is not possible to obtain the countersignature of the Court of Accounts on the applicable Registered Global Note before the Issue Date of such Registered Global Note.

themselves about and to observe any such restrictions. For a description of certain future restrictions on offers and sales of Notes and distribution of this Offering Circular see "Subscription and Sale" and "Transfer Restrictions".

No person is authorised to give any information or to make any representation not contained in this Offering Circular and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Republic or the Arranger. The delivery of this Offering Circular at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission, any State Securities Commission in the United States or any other U.S. Regulatory Authority nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of Notes or the accuracy or the adequacy of this Offering Circular. Any representation to the contrary is a criminal offence in the United States.

The Notes have not been and will not be registered under the Securities Act or with any Securities Regulatory Authority of any state or other jurisdiction of the United States, and the Notes may include bearer notes that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered or sold or, in the case of bearer notes, delivered within the United States. This Offering Circular has been prepared by the Republic for use in connection with the offer and sale of the Notes outside the United States in reliance on Regulation S under the Securities Act ("Regulation S") and within the United States to "Qualified Institutional Buyers" in reliance on Rule 144A under the Securities Act ("Rule 144A") and for the listing of Notes on the Luxembourg Stock Exchange and the Vienna Stock Exchange. Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers and sales of the Notes and distribution of this Offering Circular, see "Subscription and Sale" and "Transfer Restrictions".

TO NEW HAMPSHIRE RESIDENTS: NEITHER THE FACT THAT A REGISTRATION STATEMENT NOR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSONS, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

Unless otherwise specified or the context requires, references herein to "dollars", "U.S. dollars", "U.S.$" and "$" are to United States dollars, references to "£" and "Sterling" are to Pounds Sterling and references to "€" and "euro" are to the currency introduced at the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended from time to time.

**In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the stabilising manager(s) (the "Stabilising Manager(s)") (or any person acting on behalf of any Stabilising Manager(s)) in the applicable Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or**

**any person acting on behalf of any Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or any persons carrying on behalf of an Stabilising Manager(s)) in accordance with all applicable laws and rules.**

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## DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated in, and to form part of, this Offering Circular:

(a) all amendments and supplements to the Offering Circular prepared from time to time in accordance with the undertaking by the Republic described below; and

(b) the applicable Pricing Supplement prepared in respect of any Tranche of Notes,

save that any statement contained herein or in a document all or a relevant portion of which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained in any subsequent such document modifies or supersedes such earlier statement.

References to this "Offering Circular" shall be taken to mean this document and all the documents from time to time incorporated by reference herein and forming part hereof.

The Republic will, at the specified offices of the Paying Agents, provide, without charge, upon the oral or written request of any person, a copy of any or all of the documents incorporated herein by reference. Written or oral requests for such documents should be directed to the specified office of any Paying Agent or the specified office of the listing agent in Luxembourg.

The Republic has agreed to comply with any undertakings given by it from time to time to the Luxembourg Stock Exchange and the Vienna Stock Exchange in connection with the Notes and, without prejudice to the generality of the foregoing, shall furnish to the Luxembourg Stock Exchange and the Vienna Stock Exchange all such information as the rules of the Luxembourg Stock Exchange and/or the Vienna Stock Exchange may require in connection with the listing on the Luxembourg Stock Exchange and/or the Vienna Stock Exchange of the Notes. The Republic shall, during the continuance of the Programme, prepare a supplement to this Offering Circular whenever required by the rules of the Luxembourg Stock Exchange or the Vienna Stock Exchange and in any event if there is a significant change affecting any matter contained in this Offering Circular or a significant new matter arises the inclusion of information in respect of which would have been so required if it had arisen when the Offering Circular was prepared.

## SUMMARY OF THE PROGRAMME AND THE NOTES

*The following does not purport to be complete and is a summary of, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Pricing Supplement. Words and expressions defined or used in "Form of the Notes" and "Terms and Conditions of the Notes" (as amended, supplemented and/or modified by the provisions of the relevant Pricing Supplement) shall, unless the context otherwise requires or permits, have the same meaning in the following summary:*

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| **Issuer** | The Republic of Austria. |
| **Arranger** | HSBC Bank plc. |
| **Dealers** | The Dealers will consist of any one or more dealers becoming a party to the Standard Provisions (as defined in "Subscription and Sale") from time to time for a specific issue of Notes. |
| **Currencies** | U.S. Dollars, Australian Dollars, Canadian Dollars, Danish Krone, euro, Hong Kong Dollars, New Zealand Dollars, Sterling, Swedish Kronor, Swiss Francs and Yen, or (subject to compliance with all relevant laws, regulations and directives) such other currency as may be agreed between the Republic and the relevant Dealer(s). |
| **Amount** | Up to euro 30,000,000,000 (or its equivalent in other currencies calculated as set out herein) aggregate nominal amount of Notes. Under the Standard Provisions, the nominal amount of Notes which may be issued under the Programme may be increased by the Republic. For the purpose of calculating the aggregate nominal amount of Notes outstanding, Notes issued at a discount shall be treated as having been issued at their accrued original issue discount calculated by reference to the amortisation yield formula as specified in the applicable Pricing Supplement or, if none is specified in the applicable Pricing Supplement, their face amount and Notes issued at a premium shall be treated as having been issued at the amount of their net proceeds received by the Republic. See "Form of the Notes — Euro Equivalent". |
| **Maturities** | Subject to compliance with all relevant laws and directives, any maturity between 7 days and 70 years. |
| **Issue Price** | Notes may be issued at par or at a discount to or premium over par. |
| **Method of Issue** | The Notes will be issued on a continuous basis, which may include syndicated placements. Further Notes may be issued as part of an existing Series. |
| **Initial Delivery of Notes** | ***Bearer Notes***<br>On or before the issue date for each Tranche, if the relevant Global Note (or Interim Note, as the case may be) is stated in the applicable Pricing Supplement to be issued in NGN form, the Global Note or Interim Note, as applicable, will be |

delivered to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. On or before the issue date for each Tranche, if the relevant Global Note (or Interim Note, as the case may be) is not issued in NGN form, the Global Note, or Interim Note, as applicable, representing Bearer Notes shall be deposited with the Common Depositary for Euroclear and Clearstream, Luxembourg.

***Registered Notes***

On or before the issue date for each Tranche, if the relevant Regulation S Global Note (or Interim Note, as the case may be) is stated in the applicable Pricing Supplement to be held under the NSS, the Regulation S Global Note or Interim Note, as applicable, will be delivered to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. On or before the issue date for each Tranche, if the relevant Regulation S Global Note (or Interim Note, as the case may be) is not held under the NSS, the Regulation S Global Note, or Interim Note, as applicable, representing Bearer Notes shall be deposited with the Common Depositary for Euroclear and Clearstream, Luxembourg.

Each DTC Restricted Global Note (or Interim Note, as the case may be) will be deposited with a custodian for, and registered in the name of a nominee of DTC on its issue date. Beneficial interests in a DTC Restricted Global Note (or Interim Note, as the case may be) will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its participants.

***General***

Global Notes (or Interim Notes, as the case may be) may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Republic, the Fiscal Agent and the relevant Dealer.

**Interest Rate**

The Notes may be issued on a fixed rate, floating rate, variable rate or zero coupon basis.

**Fixed Rate Notes**

Fixed rate interest will be payable in arrear on the date or dates as agreed between the Republic and the relevant Dealer(s) in each year (as specified in the applicable Pricing Supplement).

**Floating Rate Notes**

Floating Rate Notes will bear interest determined separately for each Series as follows:

(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.; or

(ii) by reference to LIBOR, LIBID, LIMEAN or EURIBOR (or such other benchmark as may be specified in the

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| | relevant Pricing Supplement) as adjusted for any applicable margin.<br>Interest periods will be specified in the relevant Pricing Supplement. |
| **Zero Coupon Notes** | Zero Coupon Notes do not bear interest and may be issued at a discount to their nominal amount. The amount payable on early redemption of a Zero Coupon Note will be specified in the applicable Pricing Supplement. |
| **Dual Currency Notes** | Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies and based on such rates of exchange as may be specified in the relevant Pricing Supplement. |
| **Index Linked Notes** | Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula as may be specified in the relevant Pricing Supplement. |
| **Withholding Tax** | All payments of principal and interest will be made free and clear of withholding for or on account of any taxes imposed by or within the Republic, subject to certain exceptions. |
| **Business Days for Payments** | In the case of a payment in a currency other than the euro, a day on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency. In the case of a payment in euro, a day on which the TARGET System is operating. See "Terms and Conditions of the Notes — Payments". |
| **Denominations** | Subject to all relevant laws and regulations, Definitive Bearer Notes and Definitive Registered Notes will be in such denominations as may be agreed between the Republic and the relevant Dealer(s) specified in the applicable Pricing Supplement. |
| **Optional Redemption** | The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Republic and/or the holders, and if so the terms applicable to such redemption including whether partial redemption is permissible. |
| **Listing** | The Luxembourg Stock Exchange, the Vienna Stock Exchange or as otherwise specified in the applicable Pricing Supplement. As specified in the applicable Pricing Supplement, a Series of Notes may be listed or unlisted. Subject as set out herein, this Offering Circular as amended, supplemented and/or restated will only be valid for listing Notes on the Luxembourg Stock Exchange and the Vienna Stock Exchange up to an aggregate amount of euro 30,000,000,000 (or its equivalent in the other currencies specified herein), calculated by reference to the Exchange Rate (as described in the penultimate paragraph of "Form of |

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| | the Notes") and otherwise on the basis specified in "Form of the Notes". |
| **Status of Notes** | All Notes issued under the Programme will constitute (subject to Condition 4) unsecured, unconditional, direct and general obligations of the Republic ranking *pari passu* with all other loan and bond indebtedness of the Republic resulting from financial debts. |
| **Negative Pledge** | There will be a negative pledge in respect of any security created by the Republic for any obligation in respect of loan and bond indebtedness of the Republic resulting from financial debts, all as more fully set out in Condition 4. |
| **Cross Default** | There will be no cross default provision. |
| **Rating** | At the date of this Offering Circular, the Issuer Credit Rating of the Republic of Austria is as follows: Fitch Ratings Limited: AAA; Moody's Investors Service Limited: Aaa; Standard & Poor's Ratings Services: AA+; and DBRS, Inc.: AAA. |
| **Governing Law** | English. |
| **Selling Restrictions** | There are restrictions on the sale of Notes and the distribution of offering material in various jurisdictions. See "Subscription and Sale". |
| **Transfer Restrictions** | There are restrictions on the transfer of Registered Notes sold pursuant to Regulation S and Rule 144A. See "Transfer Restrictions". |
| **Clearing Systems** | Euroclear and Clearstream, Luxembourg for Bearer Notes, Euroclear, Clearstream, Luxembourg and DTC for Registered Notes or as otherwise specified in the applicable Pricing Supplement. |
| **Pricing Supplement** | The issue price, issue date, maturity date, nominal amount, interest rate (if any) applicable to any Notes and any other relevant provisions of such Notes will be agreed between the Republic and the relevant Dealer(s) at the time of agreement to issue such Notes and will be specified in the applicable Pricing Supplement. |

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions (the "Conditions") that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Notes representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on the definitive Notes or Certificates. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

The Notes are issued pursuant to an Amended and Restated Agency Agreement dated 19 December 2012 (as further amended, supplemented and/or restated from time to time, the "Agency Agreement") and made between The Republic of Austria (the "Republic"), Citibank, N.A., London Branch as fiscal agent, transfer agent and calculation agent, Citibank, N.A., London Branch as registrar, transfer agent and exchange agent and the other agents named in it and with the benefit of an Amended and Restated Deed of Covenant dated 19 December 2012 (as further amended, supplemented and/or restated from time to time, the "Deed of Covenant") and an Amended and Restated Deed Poll dated 19 December 2012 (as further amended, supplemented and/or restated from time to time, the "Deed Poll") and executed by the Republic. The fiscal agent, the paying agents, the calculation agent, the registrar, the exchange agent and the transfer agents for the time being are referred to below respectively as the "Fiscal Agent", the "Paying Agents" (which expression shall include the Fiscal Agent), the "Calculation Agent", the "Registrar", the "Exchange Agent" and the "Transfer Agents" and together as the "Agents". The Noteholders (as defined in Condition 1(c)) and the holders of the Coupons (if any) (the "Couponholders") and, where applicable in the case of interest-bearing Notes in bearer form, talons for further Coupons (the "Talons") and the holders of the receipts for the payment of instalments of principal (the "Receipts") relating to Notes in bearer form of which the interest is payable in instalments are deemed to have notice of all of the provisions of the relevant Pricing Supplement (as defined in Condition 1(e)) and of those applicable to them of the Agency Agreement.

Copies of the Agency Agreement, the Deed Poll and the Deed of Covenant are available for inspection at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agents.

### 1 Form, Denomination, Title, Specified Currency and Pricing Supplement

#### (a) Form

Each Series (as defined in Condition 1(c)) of Notes of which the Note to which these Conditions are attached forms part (in these Conditions, the "Notes") is issued either in bearer form ("Bearer Notes") or in registered form ("Registered Notes") and Notes comprising each such Series will be issued in each case in the Specified Denomination(s) (as defined in Condition 1(b)). These Conditions must be read accordingly.

A registered certificate will be issued to each holder of Registered Note(s) in respect of its registered holding or holdings (each a "Certificate"). Each Certificate will be numbered serially with an identifying number which will be recorded in the register (the "Register") which the Republic shall procure to be kept by the Registrar.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest

(other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes may not be exchanged for Bearer Notes and Bearer Notes may not be exchanged for Registered Notes.

**(b) Specified Denomination**

"Specified Denomination" means the denomination or denominations specified on such Note. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination (if any).

**(c) Title**

Title to the Bearer Notes, the Receipts, the Coupons relating thereto and, where applicable, the Talons relating thereto shall pass by delivery. Title to the Registered Notes shall pass by registration in the Register. Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Note, Receipt, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note, Receipt, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone.

In these Conditions, "Noteholder" and, in relation to a Note, Receipt, Coupon or Talon, "holder", means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be), "Tranche" means Notes which are identical in all respects (including as to listing) and "Series" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single Series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

**(d) Specified Currency**

The Specified Currency of any Note is as specified on such Note. All payments of principal and interest in respect of a Note shall be made in the Specified Currency.

**(e) Pricing Supplement and Additional Terms**

References in these Conditions to terms specified on a Note shall be deemed to include references to terms specified in the applicable Pricing Supplement issued in respect of a Tranche which includes such Note (each a "Pricing Supplement"). Capitalised terms used in these Conditions in respect of a Note, and not specifically defined in these Conditions, have the meaning given to them in the applicable Pricing Supplement issued in respect of a Tranche which includes such Note. Additional provisions relating to the Notes may be contained in the Pricing Supplement or specified on the Note and will take effect as if originally specified in these Conditions.

## 2 Transfers of Registered Notes and Issue of Certificates

**(a) Transfer of Registered Notes**

A Registered Note may be transferred in whole or in part in a Specified Denomination upon the surrender of the Certificate issued in respect of the Registered Note to be transferred, together with the form of transfer endorsed on it duly completed and executed (together with any other evidence as the Registrar or Transfer Agent may reasonably require), at the specified office of the Registrar or any Transfer Agent. In the case of a transfer of part only of a Registered Note a new

Certificate in respect of the balance not transferred will be issued to the transferor. Each new Certificate to be issued upon transfer of such Registered Note will, within three business days of receipt of such form of transfer and surrender of the Certificate for exchange, be mailed at the risk of the holder entitled to the new Certificate to such address as may be specified in such form of transfer. For the purposes of this Condition 2(a), "business day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

**(b) Transfer Free of Charge**

Registration of transfer will be effected without charge by or on behalf of the Republic, the Registrar or the Transfer Agents, but upon payment (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require) in respect of any tax or other governmental charges which may be imposed in relation to it.

**(c) Closed Periods**

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 60 days prior to any date on which Notes of the relevant Series may be redeemed by the Republic at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption in whole or in part in accordance with Condition 6 or (iv) during the period of seven days ending on and including any Record Date (as defined in Condition 7(b)(i).

**(d) Regulations**

All transfers of Registered Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Registered Notes scheduled to the Agency Agreement. The regulations may be changed by the Republic, with the prior written approval of the Registrar. A copy of the current regulations will be made available by the Registrar to any holder of a Registered Note upon request.

## 3 Status

The Notes, the Receipts and Coupons of all Series constitute (subject to Condition 4) unsecured, unconditional, direct and general obligations of the Republic and rank *pari passu* with all other loan or bond indebtedness of the Republic resulting from financial debts. The Republic pledges its full faith and credit for the due and punctual payment of the principal of, interest on and any payment on the Notes.

## 4 Negative Pledge

The Republic undertakes for the benefit of the Noteholders and the Couponholders that for so long as any Note, Receipts or Coupons remain outstanding (as defined in the Agency Agreement) it will not create or permit to subsist any charge, pledge, encumbrance or other security interest in respect of any loan or bond indebtedness of the Republic resulting from financial debts unless, at the same time or prior thereto, all amounts payable in respect of the Notes, Receipts and Coupons are secured equally and rateably therewith.

## 5 Interest

One or more of the following provisions apply to each Note, as specified on such Note.

### (a) Interest on Fixed Rate Notes

This Condition 5(a) applies to a Note specified as being a Fixed Rate Note.

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date.

If a Fixed Coupon Amount or a Broken Amount is specified hereon, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified hereon.

### (b) Interest on Floating Rate Notes and Index Linked Interest Notes

This Condition 5(b) applies to a Note specified as being a Floating Rate Note or an Index Linked Interest Note.

#### *(i) Interest Payment Dates*

Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, "Interest Payment Date" shall mean each date which falls the number of months or other period shown hereon as the Specified Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

#### *(ii) Business Day Convention*

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

#### *(iii) Rate of Interest for Floating Rate Notes*

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either

ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

*(A) ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated hereon) the Margin (if any). For the purposes of this sub-paragraph (A), "ISDA Rate" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(x) the Floating Rate Option is as specified hereon

(y) the Designated Maturity is a period specified hereon and

(z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon. For the purposes of this sub-paragraph (A), "Floating Rate", "Calculation Agent", "Floating Rate Option",

"Designated Maturity", "Reset Date" and "Swap Transaction" have the meanings given to those terms in the ISDA Definitions.

*(B) Screen Rate Determination for Floating Rate Notes*

Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

(x) in the case of a Note which specifies that the Primary Source for Floating Rate is a Page, subject as provided below, the Rate of Interest shall be:

(I) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or interest rate per annum or is customarily supplied by one entity) or

(II) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates so appear on that Page

in each case appearing on such Page at the Relevant Time on the Interest Determination Date;

(y) in the case of a Note which specifies that the Primary Source for Floating Rate shall be Reference Banks or if sub-paragraph (x)(I) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (x)(II) applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent; and

(z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is euro, in the Euro-zone as selected by the Calculation Agent (the "Principal Financial Centre") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (I) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (II) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

***(iv) Rate of Interest for Index Linked Interest Notes***

The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified hereon.

**(c) Zero Coupon Notes**

This Condition 5(c) applies to a Note specified as being a Zero Coupon Note.

Reference to the amount of interest payable (other than as provided below), Coupons and Talons in these Conditions are not applicable. Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(c)(i)).

**(d) Dual Currency Notes**

This Condition 5(d) applies to a Note specified as being a Dual Currency Note.

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating a Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.

**(e) Partly Paid Notes**

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified hereon.

**(f) Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts, Rate Multipliers and Rounding**

(i) If any Margin or Rate Multiplier is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph.

(ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country of such currency.

**(g) Calculations**

The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Note by the Day Count Fraction, unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

**(h) Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts**

As soon as practicable after the Relevant Time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Republic, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of

Interest and Interest Amount, or (ii) in all other cases, the second Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

**(i) Interest Accrual**

Interest will cease to accrue on each Note on the due date for redemption unless, upon due presentation or surrender, payment of principal is improperly withheld or refused. In such event interest will continue to accrue at the rate and in the manner provided in this Condition 5 (both before and after judgment) until the Relevant Date (as defined in Condition 8) (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

**(j) Calculation Agent and Reference Banks**

The Republic shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Agency Agreement). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Republic shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Republic shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

**(k) Definitions**

As used in these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"Business Day" means:

(i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open generally for business in the principal financial centre for such currency; and/or

(ii) in the case of euro, a day on which the TARGET System is operating (a "TARGET Business Day"); and/or

(iii) in the case of a currency and/or one or more Additional Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets are open generally for business in the principal financial centre for such currency and/or in the Additional Business Centre(s) or, if no currency is indicated, generally in each of the Additional Business Centres.

"Day Count Fraction" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the "Calculation Period"):

(i) if "Actual/Actual" or "Actual/Actual – ISDA" is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "Actual/365 (Fixed)" is specified hereon, the actual number of days in the Calculation Period divided by 365;

(iii) if "Actual/365 (Sterling)" is specified hereon, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(iv) if "Actual/360" is specified hereon, the actual number of days in the Calculation Period divided by 360;

(v) if "30/360", "360/360" or "Bond Basis" is specified hereon, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"$Y_1$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$Y_2$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$M_1$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$M_2$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$D_1$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case $D_1$ will be 30; and

"$D_2$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and $D_1$ is greater than 29, in which case $D_2$ will be 30;

(vi) if "30E/360" or "Eurobond Basis" is specified hereon, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"$Y_1$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$Y_2$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$M_1$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$M_2$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$D_1$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case $D_1$ will be 30; and

"$D_2$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case $D_2$ will be 30;

(vii) if "30E/360 (ISDA)" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"$Y_1$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$Y_2$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$M_1$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$M_2$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$D_1$" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case $D_1$ will be 30; and

"$D_2$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case $D_2$ will be 30;

(viii) if "Actual/Actual – ICMA" is specified hereon,

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

"Determination Period" means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

"Determination Date" means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s).

"Effective Date" means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such hereon or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

"Euro-zone" means the region comprising member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

"Interest Accrual Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

"Interest Amount" means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount, as the case may be.

"Interest Commencement Date" means the Issue Date or such other date as may be specified as the Interest Commencement Date hereon.

"Interest Determination Date" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

"Interest Payment Date" means each date which falls in the Specified Interest Period specified on the relevant Note after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date or as is otherwise specified as such on the relevant Note, in each case as adjusted by the Business Day Convention specified on such Note.

"Interest Period" means the period beginning on (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date to (but excluding) the next succeeding Interest Payment Date.

"Interest Period Date" means each Interest Payment Date unless otherwise specified hereon.

"ISDA Definitions" means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

"Issue Date" means, in respect of any Note or Notes, the date of issue of such Note or Notes.

"Page" means such page, section, caption, column or other part of a particular information service as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate.

"Rate of Interest" means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

"Reference Banks" means the institutions specified as such hereon or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if EURIBOR is the relevant Benchmark, shall be the Euro-zone).

"Relevant Financial Centre" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such hereon or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR, shall be the Euro-zone) or, if none is so connected, London.

"Relevant Rate" means the Benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date.

"Relevant Time" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified hereon or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre and for this purpose "local time" means, with respect to the Euro-zone as a Relevant Financial Centre, 11.00 a.m. hours, Brussels Time.

"Representative Amount" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such hereon or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

"Specified Currency" means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

"Specified Duration" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified hereon or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 5(b)(ii).

"TARGET System" means the Trans-European Automated Real-Time Gross-Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

## 6 Redemption, Purchase and Options

### (a) Redemption by Instalments and Final Redemption

(i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6 or the relevant Instalment Date (being one of the dates so specified hereon) is extended pursuant to any option in accordance with Condition 6(d) or 6(e), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(ii) Unless previously redeemed or purchased and cancelled as provided in this Condition 6 or its maturity is extended pursuant to any option in accordance with Condition 6(d) or 6(e), each Note will be redeemed at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within (i) above, its final Instalment Amount, on the applicable Maturity Date specified hereon or other date(s) specified on such Note.

### (b) Purchases

The Republic may at any time purchase Notes at any price (provided that all unmatured Receipts and Coupons and unexchanged Talons relating to them are attached thereto or surrendered therewith) in the open market or otherwise, provided that in any such case such purchase or purchases are in compliance with all relevant laws, regulations and directives. The Notes so purchased, while held by or on behalf of the Republic, shall not entitle the holder to vote at any meetings of Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 11.

### (c) Early Redemption

#### *(i) Zero Coupon Notes*

This Condition 6(c)(i) applies to a Note the interest basis for which is specified on such Note as a Zero Coupon Note.

(a) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(d) or 6(e), if applicable, or upon it becoming due and payable as provided in Condition 9, shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

(b) Subject to Condition 6(c)(i)(c), the "Amortised Face Amount" of any Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised

Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(c) If the Early Redemption Amount payable in respect of any Note upon redemption of such Note pursuant to Condition 6(d) or 6(e), if applicable, or upon it becoming due and payable as provided in Condition 9, is not paid when due, the amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in Condition 6(c)(i)(b), except that Condition 6(c)(i)(b) shall have effect as though the reference therein to the date on which the Note becomes due and payable were replaced by a reference to the Relevant Date. The calculation of the Amortised Face Amount in accordance with this Condition 6(c)(i)(c) will continue to be made (both before and after judgment) until the Relevant Date unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest which may accrue on such Note in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

***(ii) Other Notes***

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 9, shall be the Final Redemption Amount unless otherwise specified hereon.

**(d) Redemption at the Option of the Republic**

If Call Option is specified hereon, the Republic may, subject to compliance with all relevant laws, regulations and directives, on giving to the holder of such Note irrevocable notice in accordance with Condition 15 of not more nor less than the number of days specified hereon (which number shall, in any event, not be less than seven days) redeem all or, if so specified on such Note, some of the Series of Notes of which such Note forms part, on any Optional Redemption Date or Option Exercise Date, as the case may be. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to (but excluding) the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the minimum nominal amount to be redeemed specified hereon and no greater than the maximum nominal amount to be redeemed specified hereon. All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 6(d).

If only some of the Notes of a Series are to be redeemed at any time, the Notes to be redeemed shall be determined by the drawing of lots. In the case of a partial redemption by way of lot, the notice to Noteholders shall also contain the serial numbers and nominal amount of the Notes to be redeemed, which shall have been drawn in such place as the Republic may determine and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

**(e) Redemption at the Option of Noteholders**

If Put Option is specified hereon, the Republic shall, subject to compliance with all relevant laws, regulations and directives, at the option of the holder of such Note, upon the holder of such Note giving not less than 15 or more than 30 days' notice to the Republic (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date at its Optional

Redemption Amount together with interest accrued to (but excluding) the date fixed for redemption. To exercise such option (which must be exercised on an Option Exercise Date) the holder must deposit such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent (in the case of Bearer Notes) or the Registrar or any Transfer Agent (in the case of Registered Notes) at their respective specified offices, together with a duly completed notice of redemption ("Redemption Notice") in the form obtainable from any Agent not more nor less than the number of days specified on such Note prior to the relevant date for redemption. Unless otherwise specified on such Note, no Note (or Redemption Notice) so deposited may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Republic.

**(f) Partly Paid Notes**

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified hereon.

**(g) Cancellation**

All Notes purchased by or on behalf of the Republic may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with, if appropriate, all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Republic, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Republic in respect of any such Notes shall be discharged.

## 7 Payments

**(a) Bearer Notes**

***(i) Payments of Principal and Interest***

Payments of principal and interest in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Bearer Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(e)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(e)(ii)), as the case may be, at the specified office of any Paying Agent outside the United States and its possessions:

(1) in respect of payments denominated in a Specified Currency other than U.S. dollars or euro, at the option of the holder either by a cheque in such Specified Currency drawn on, or by transfer to an account in such Specified Currency maintained by the payee with a bank in the Relevant Financial Centre of such Specified Currency;

(2) in respect of payments denominated in U.S. dollars, subject to Condition 7(a)(ii), at the option of the holder either by a U.S. dollar cheque drawn on a bank in New York City or by transfer to a U.S. dollar account maintained by the payee with a bank outside the United States;

(3) in respect of payments denominated in euro, by cheque or, at the option of the holder, by transfer to a euro account specified by the payee in a city in which banks have access to the TARGET System; or

(4) as may otherwise be specified on such Notes.

***(ii) Payments in the United States***

Notwithstanding the foregoing, payments in respect of Bearer Notes denominated in U.S. dollars may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (1) the Maturity Date of such Bearer Notes is not more than one year from the Issue Date for such Bearer Notes or (2) (a) the Republic shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Bearer Notes in the manner provided above when due, (b) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (c) such payment is then permitted by United States law. If, under such circumstances, a Bearer Note is presented for payment of principal at the specified office of any Paying Agent in the United States or its possessions in circumstances where interest (if any is payable against presentation of the Bearer Note) is not to be paid there, the relevant Paying Agent will annotate the Bearer Note with the record of the principal paid and return it to the holder for the obtaining of interest elsewhere.

***(iii) Payments on Business Days***

Subject as provided on a Note, if any date for payment in respect of any Bearer Note, Receipt or Coupon comprising all or part of a Tranche is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. For the purposes of this Condition 7(a), "Business Day" means a day on which banks and foreign exchange markets are open generally for business in the relevant place of presentation and in such jurisdiction(s) (if any) as shall be specified as "Additional Financial Centre(s)" hereon and:

(1) in the case of payment in a currency other than euro, where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or

(2) in the case of payment in euro, a TARGET Business Day.

If the due date for redemption or repayment of any Bearer Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note. Interest accrued on a Bearer Note the interest basis for which is specified on such Note as Zero Coupon from its Maturity Date shall be payable on repayment of such Bearer Note against presentation thereof.

**(b) Registered Notes**

***(i) Payments of Principal and Interest***

Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) and interest (which for the purposes of this Condition 7(b) shall include all Instalment Amounts other than final Instalment

Amounts) in respect of a Series of Registered Notes will (a) in the case of Registered Notes represented by Certificates registered in the name of, or for a nominee of, The Depository Trust Company ("DTC"), be made or procured to be made by the Fiscal Agent to the person shown on the Register at the close of business on the fifteenth DTC Business Day, (b) in the case of Registered Notes represented by Certificates registered in the name of a common nominee of Clearstream Banking, *société anonyme* ("Clearstream, Luxembourg") and Euroclear Bank S.A./N.V. ("Euroclear"), be made or procured to be made by the Fiscal Agent to the person shown on the Register at the close of business on the first Clearing System Business Day, or (c) where such Series is neither represented by Certificates registered in the name of, or for a nominee of DTC nor in the name of a common nominee of Clearstream, Luxembourg or Euroclear, be made on the fifteenth Business Day in the place of the specified office of the Registrar (being a day on which banks are open generally for business in such place), in each case before the due date for payment thereof (the "Record Date"):

(1) in respect of payments denominated in a Specified Currency other than euro, by cheque drawn on, or by transfer to an account in such Specified Currency maintained by the payee with, a bank in the Relevant Financial Centre of such Specified Currency;

(2) in respect of payments denominated in euro by cheque or, at the option of the holder, by transfer to a euro account specified by the payee in a city in which banks have access to the TARGET System; or

(3) as may otherwise be specified on such Notes,

subject in the case of Registered Notes represented by Certificates registered in the name of, or for a nominee of, DTC, to Condition 7(b)(iii).

For the purposes of this Condition 7(b):

"Clearing System Business Day" means Monday to Friday inclusive, except 25 December and 1 January; and

"DTC Business Day" means any day on which DTC is open for business and "Business Day" means:

(1) in the case of a payment in a currency other than euro where payment is to be made by transfer to an account maintained with a bank in the relevant currency, a day on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or

(2) in the case of payment in euro, a TARGET Business Day.

Payments of principal in respect of Registered Notes will only be made if the relevant Certificate shall have been surrendered at the specified office of any Transfer Agent or of the Registrar. Upon application by the holder to the specified office of any Transfer Agent, which shall not be less than 15 days before the due date for any payment in respect of a Note, such payment will be made by transfer to an account maintained by the payee with a bank in the Relevant Financial Centre or, if such payment is denominated in euro, in Europe. If the amount of principal being paid is less than the nominal amount of the relevant Certificate, the Registrar will annotate the Register with the amount of principal so paid and will (if so requested by the Republic or a Noteholder) issue a new Certificate with a nominal amount equal to the remaining unpaid nominal amount.

***(ii) Payment Initiation***

Where payment is to be made by transfer to an account in the relevant Specified Currency, payment instructions (for value the due date, or if that is not a business day, for value the first following day which is a business day) will be initiated, and, where payment is to be made by cheque, the cheque will be mailed on the last day on which the Fiscal Agent is open for business preceding the due date for payment or, in the case of payments of principal where the relevant Certificate has not been surrendered at the specified office of any Transfer Agent or of the Registrar prior to the due date for payment, on a day on which the Fiscal Agent is open for business following that on which the relevant Certificate is so surrendered.

***(iii) Payments Through DTC***

Registered Notes, if so specified on them, will be issued in the form of one or more Certificates and may be registered in the name of, or in the name of a nominee for, DTC. Payments of principal and interest in respect of Registered Notes denominated in U.S. dollars will be made in accordance with Conditions 7(b)(i) and 7(b)(ii). Payments of principal and interest in respect of Registered Notes registered in the name of, or in the name of a nominee for, DTC and denominated in a Specified Currency other than U.S. dollars will be made or procured to be made by the Fiscal Agent in the relevant Specified Currency in accordance with the following provisions. The amounts in such Specified Currency payable by the Fiscal Agent or its agent to DTC with respect to Registered Notes held by DTC or its nominee will be received from the Republic by the Fiscal Agent who will make payments in such Specified Currency by wire transfer of same day funds to the designated bank account in such Specified Currency of those DTC participants entitled to receive the relevant payment who have made an irrevocable election to DTC, in the case of interest payments, on or prior to the third DTC business day after the Record Date for the relevant payment of interest and, in the case of payments of principal, at least 12 DTC business days prior to the relevant payment date, to receive that payment in such Specified Currency. The Fiscal Agent, after the Exchange Agent has converted amounts in such Specified Currency into U.S. dollars, will deliver such U.S. dollar amount in same day funds to DTC for payment through its settlement system to those DTC participants entitled to receive the relevant payment who did not elect to receive such payment in such Specified Currency. The Agency Agreement sets out the manner in which such conversions are to be made.

***(iv) Delay in Payment***

Noteholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Note if the due date is not a business day, if the Noteholder is late in surrendering or cannot surrender its Certificate (if required to do so) or if a cheque mailed in accordance with Condition 7(b)(ii) arrives after the due date for payment.

***(v) Payment Not Made in Full***

If the amount of principal or interest which is due on any Registered Note is not paid in full, the Registrar will annotate the Register with a record of the amount of principal or interest, if any, in fact paid on such Registered Note.

**(c) Payments Subject to Fiscal Laws, etc.**

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

**(d) Appointment of Agents**

The Paying Agents, the Registrar, the Calculation Agent, the Exchange Agent and the Transfer Agents initially appointed by the Republic and their respective specified offices are listed below. The Republic reserves the right at any time to vary or terminate the appointment of any Agent, to appoint another Registrar, Exchange Agent or Calculation Agent and to appoint additional or other Paying Agents or Transfer Agents, provided that the Republic will at all times maintain (i) a Fiscal Agent, (ii) a Registrar and a Transfer Agent (having a specified office in a major European city outside The Republic of Austria) in relation to Registered Notes, (iii) Paying Agents having specified offices in at least two major European cities, (iv) a Calculation Agent, (v) an Exchange Agent, (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed and (vii) a Paying Agent with a specified office in a European Union member state (if any) that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/ EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income.

In addition, the Republic shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in Condition 7(a)(ii).

Notice of any such change or any change in the specified office of any Agent will promptly be given by the Republic to the Noteholders in accordance with Condition 15.

**(e) Unmatured Coupons and Receipts and Unexchanged Talons**

(i) Unless the Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Bearer Notes should be surrendered for payment of principal together with all unmatured Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment on such Note. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of 12 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 10). If the date for payment of principal is any date other than a date for payment of interest, the accrued interest on such principal shall be paid only upon presentation of the relevant Note.

(ii) If so specified on a Bearer Note, upon the due date for redemption of any Bearer Note prior to the Maturity Date, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of such Coupons.

(iii) Upon the due date for redemption of any Bearer Note prior to the Maturity Date any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date

(whether or not attached) shall become void and no payment shall be made in respect of them.

(v) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption prior to the Maturity Date without all unmatured Coupons relating to it and where any Bearer Note is presented for redemption prior to the Maturity Date without any unexchanged Talon relating to it, redemption of such Bearer Note shall be made only against the provisions of such indemnity as the Republic may require.

(vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

**(f) Talons**

Except where such Talon has become void pursuant to Condition 7(e)(iii), on or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons which may have become void pursuant to Condition 10).

## 8 Taxation

All payments of principal and interest will be made without deduction for or on account of any present or future taxes or duties of whatsoever nature imposed or levied by or within The Republic of Austria or any province, municipality or other political subdivision or taxing authority therein or thereof, unless the deduction of such taxes or duties is required by law. In that event, the Republic shall pay such additional amounts as may be necessary in order that the net amounts received by the holders of the Notes, Receipts and Coupons after such deduction shall equal the respective amounts of principal and interest which would have been receivable in respect of the Notes, Receipts or, as the case may be, the Coupons, in the absence of such deduction, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

(i) in the case of Bearer Notes, Receipts or Coupons presented for payment:

(a) in The Republic of Austria; or

(b) where such deduction would not be required if the holder or any person acting on his behalf had presented the requested form or certificate or had made the requested declaration of non-residence or similar claim for exemption upon the presentation or making of which that holder would have been able to avoid such deduction; or

(c) by or on behalf of a holder who is liable to such taxes or duties in respect of such Bearer Note, Receipt or Coupon by reason of his having some connection with the Republic other than the mere holding of such Bearer Note, Receipt or Coupon; or

(d) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to additional amounts on presenting the same for payment on the expiry of such period of 30 days; or

(e) where such deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or

(f) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

(ii) in the case of Registered Notes:

(a) if the Certificate in respect of such Registered Note is required to be surrendered and is surrendered in The Republic of Austria; or

(b) where such deduction would not be required if the holder or any person acting on his behalf had presented the requested form or certificate or had made the requested declaration of non-residence or similar claim for exemption upon the presentation or making of which that holder would have been able to avoid such deduction; or

(c) to a holder (or to a third party on behalf of a holder) where such holder is liable to such taxes or duties in respect of such Registered Note by reason of his having some connection with the Republic, other than the mere holding of such Registered Note or the receipt of the relevant payment in respect thereof; or

(d) if the Certificate in respect of such Registered Note is required to be surrendered and is surrendered more than 30 days after the Relevant Date, except to the extent that the holder thereof would have been entitled to additional amounts on presenting the same for payment on the expiry of such period of 30 days; or

(e) where such deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive.

As used in these Conditions, "Relevant Date" in respect of any Note, Receipt or Coupon means the date on which payment in respect thereof first becomes due, but if the full amount of the money payable has not been received by the Fiscal Agent on or prior to such due date, it means the date on which, the full amount of such money having been so received, notice to that effect shall have been given to Noteholders in accordance with Condition 15. References in these Conditions to "principal" shall be deemed to include Amortised Face Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts and any premium payable in respect of the Notes and any reference to "principal" and/or "interest" shall be deemed to include any additional amounts which may be payable under this Condition 8 or any undertaking given in addition to or in substitution for it under the Agency Agreement.

## 9 Events of Default

Upon the happening of either of the following events in respect of any Note of a Series, the holder of any Note of such Series may give notice to the Fiscal Agent at its specified office that such Note of such Series held by such holder is immediately repayable at the Early Redemption Amount specified on such Note or, if none is so specified, at the nominal amount of such Note, together (if applicable) with accrued and unpaid interest or, in relation to a Note the interest basis for which is specified on such Note as Zero Coupon, the Amortised Face Amount of such Note:

**(a) Non-Payment**

There is default for more than 30 days in the payment of principal or interest due on any of the Notes of such Series; or

**(b) Breach of Other Obligations**

There is default in the performance of any material obligation under the Notes of such Series which shall continue for more than 60 days after written notification requiring such default to be remedied shall have been given to the Fiscal Agent at its specified office by the holder of any Note of such Series.

## 10 Prescription

Claims against the Republic for payment in respect of the Notes, Receipts and Coupons (which, for this purpose shall not include Talons) shall be prescribed and become void unless made within 30 years (in the case of principal) and three years (in the case of interest) from the appropriate Relevant Date in respect thereof.

## 11 Meetings of Noteholders and Modification

**(a) General**

The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions or the provisions of the Agency Agreement. The following is a summary of selected provisions contained in the Agency Agreement.

For the purposes of this Condition 11:

(i) "Cross-Series Modification" means a modification involving (i) the Notes or any agreement governing the issuance or administration of the Notes (including the Agency Agreement, the Deed Poll and the Deed of Covenant), and (ii) the Debt Securities of one or more other series or any agreement governing the issuance or administration of such other Debt Securities;

(ii) "Debt Securities" means the Notes and any other bills, bonds, debentures, notes or other debt securities issued by the Republic in one or more series with an original stated maturity of more than one year, and includes any such obligation, irrespective of its original stated maturity, that formerly constituted a component part of a Debt Security;

(iii) "holder", in relation to a Note, means (i) in the case of Registered Notes, the person in whose name the Note is registered in the books and records of the Republic and/or the Registrar or (ii) in the case of Bearer Notes, the bearer of the Note, and, in relation to any other Debt Security, means the person the Republic is entitled to treat as the legal holder of the Debt Security under the law governing that Debt Security;

(iv) "outstanding", in relation to any Note, means a Note that is outstanding within the meaning of the Agency Agreement and, in relation to the Debt Securities of any other series, will be determined in accordance with the applicable terms and conditions of that Debt Security;

(v) "Reserved Matter", in relation to the Notes, means any modification of the terms and conditions of the Notes or of any agreement governing the issuance or administration of the Notes (including the Agency Agreement, the Deed Poll and the Deed of Covenant) that would:

(A) change the date on which any amount is payable on the Notes;

(B) reduce any amount, including any overdue amount, payable on the Notes;

(C) change the method used to calculate any amount payable on the Notes;

(D) reduce the redemption price for the Notes or change any date on which the Notes may be redeemed;

(E) change the currency or place of payment of any amount payable on the Notes;

(F) impose any condition on or otherwise modify the Republic's obligation to make payments on the Notes;

(G) change any payment-related circumstance under which the Notes may be declared due and payable prior to their stated maturity;

(H) change the seniority or ranking of the Notes;

(I) change the law governing the Notes;

(J) change any court to whose jurisdiction the Republic has submitted or any immunity waived by the Republic in relation to any proceedings arising out of or in connection with the Notes;

(K) change the principal amount of outstanding Notes or, in the case of a Cross-Series Modification, the principal amount of Debt Securities of any other series required to approve a proposed modification in relation to the Notes, the principal amount of outstanding Notes required for a quorum to be present, or the rules for determining whether a Note is outstanding for these purposes; or

(L) change the definition of a Reserved Matter,

and has the same meaning in relation to the Debt Securities of any other series save that any of the foregoing references to the Notes or any agreement governing the issuance or administration of the Notes (including the Agency Agreement, the Deed Poll and the Deed of Covenant) shall be read as references to such other Debt Securities or any agreement governing the issuance or administration of such other Debt Securities; and

(vi) "series" means a tranche of Debt Securities, together with any further tranche or tranches of Debt Securities that, in relation to each other and to the original tranche of Debt Securities, are (i) identical in all respects except for their date of issuance or first payment date, and (ii) expressed to be consolidated and form a single series, and includes the Notes and any further issuance of Notes.

**(b) Convening Meetings of Noteholders**

A meeting of Noteholders:

(i) may be convened by the Republic at any time; and

(ii) will be convened by the Republic if an Event of Default in relation to the Notes has occurred and is continuing and a meeting is requested in writing by the Holders of not less than 10 per cent. of the aggregate principal amount of the Notes then outstanding.

**(c) Quorum**

(i) The quorum at any meeting at which Noteholders will vote on a proposed modification to, or a proposed modification of:

(A) a Reserved Matter will be one or more persons present or represented at the meeting and holding not less than 66 2/3 per cent. of the aggregate principal amount of the Notes then outstanding; and

(B) a matter other than a Reserved Matter will be one or more persons present or represented at the meeting and holding not less than 50 per cent. of the aggregate principal amount of the Notes then outstanding.

(ii) The quorum for any adjourned meeting will be one or more persons present or represented at the meeting and holding:

(A) not less than 66 2/3 per cent. of the aggregate principal amount of the Notes then outstanding in the case of a proposed Reserved Matter modification; and

(B) not less than 25 per cent. of the aggregate principal amount of the Notes then outstanding in the case of a non-Reserved Matter modification.

**(d) Non-Reserved Matters**

The terms and conditions of the Notes and any agreement governing the issuance or administration of the Notes (including the Agency Agreement, the Deed Poll and the Deed of Covenant) may be modified in relation to any matter other than a Reserved Matter with the consent of the Republic and:

(i) the affirmative vote of a Holder or Holders of more than 50 per cent. of the aggregate principal amount of the outstanding Notes represented at a duly called and quorate meeting of Noteholders; or

(ii) a written resolution signed by or on behalf of a Holder or Holders of more than 50 per cent. of the aggregate principal amount of the outstanding Notes.

**(e) Reserved Matters**

Except as provided by Condition 11(f) below, the terms and conditions of the Notes and any agreement governing the issuance or administration of the Notes (including the Agency Agreement, the Deed Poll and the Deed of Covenant) may be modified in relation to a Reserved Matter with the consent of the Republic and:

(i) the affirmative vote of a Holder or Holders of not less than 75 per cent. of the aggregate principal amount of the outstanding Notes represented at a duly called and quorate meeting of Noteholders; or

(ii) a written resolution signed by or on behalf of a Holder or Holders of not less than 66 2/3 per cent. of the aggregate principal amount of the Notes then outstanding.

**(f) Cross-Series Modifications**

In the case of a Cross-Series Modification, the terms and conditions of the Notes and Debt Securities of any other series, and any agreement governing the issuance or administration of the Notes (including the Agency Agreement, the Deed Poll and the Deed of Covenant) or Debt Securities of such other series, may be modified in relation to a Reserved Matter with the consent of the Republic and:

(i) the affirmative vote of not less than 75 per cent. of the aggregate principal amount of the outstanding Debt Securities represented at separate duly called and quorate meetings of the holders of the Debt Securities of all the series (taken in the aggregate) that would be affected by the proposal and/or proposed modification; or

(ii) a written resolution signed by or on behalf of the holders of not less than 66 2/3 per cent. of the aggregate principal amount of the outstanding Debt Securities of all the series (taken in the aggregate) that would be affected by the proposal and/or proposed modification;

and

(iii) the affirmative vote of more than 66 2/3 per cent. of the aggregate principal amount of the outstanding Debt Securities represented at separate duly called and quorate meetings of the holders of each series of Debt Securities (taken individually) that would be affected by the proposal and/or proposed modification; or

(iv) a written resolution signed by or on behalf of the holders of more than 50 per cent. of the aggregate principal amount of the then outstanding Debt Securities of each series (taken individually) that would be affected by the proposal and/or proposed modification.

A separate meeting will be called and held, or a separate written resolution signed, in relation to the proposed modification of the Notes and the proposed modification of each other affected series of Debt Securities.

**(g) Written Resolutions**

A "written resolution" is a resolution in writing signed by or on behalf of Holders of the requisite majority of the Notes and will be valid for all purposes as if it was a resolution passed at a quorate meeting of Noteholders duly convened and held in accordance with these provisions. A written resolution may be set out in one or more documents in like form each signed by or on behalf of one or more Noteholders.

**(h) Binding Effect**

A resolution duly passed at a quorate meeting of Holders duly convened and held in accordance with these provisions, and a written resolution duly signed by the requisite majority of Noteholders, will be binding on all Noteholders, whether or not the Holder was present at the meeting, voted for or against the resolution or signed the written resolution.

**(i) Modifications of the Agency Agreement**

The Republic may, without the consent of any Noteholder, amend the Agency Agreement to cure any ambiguity or to correct or supplement any defective provision contained therein or any matter which the parties thereto deem necessary or desirable provided that any such amendment shall not be inconsistent with the Conditions and shall not reasonably be expected to be prejudicial to the Noteholders.

**(j) Modifications of the Deed Poll and Deed of Covenant**

The Republic shall only permit any modification or any waiver of authorisation of any breach of, or any failure to comply with, the Deed Poll or the Deed of Covenant, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

## 12 Replacement of Bearer Notes, Receipts, Coupons, Talons and Certificates

If any Bearer Note, Receipt, Coupon, Talon or Certificate is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Paying Agent in London (in the case of Bearer Notes, Receipts, Coupons and Talons) or the Registrar in London (in the case of Certificates) subject to all applicable laws, regulations and stock exchange or other relevant authority requirements, upon payment by the claimant of the taxes and expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Republic may require (provided that the

requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Bearer Notes, Receipts, Coupons, Talons or Certificates must be surrendered before replacements will be issued.

## 13 Further Issues

The Republic may from time to time without the consent of the Noteholders or Couponholders create and issue further securities having the same terms and conditions as the Notes of any Series in all respects (or in all respects except for the first payment of interest on them) so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes of any Series). References in these Conditions to the "Notes" of any Series include (unless the context requires otherwise) any other securities issued pursuant to this Condition 13 and forming a single series with the Notes of such Series.

## 14 Agents

In acting under the Agency Agreement, the Agents act solely as agents of the Republic and do not assume any obligation or relationship of agency or trust for or with any holder.

## 15 Notices

Notices to holders of Registered Notes will be mailed to them at their respective addresses in the Register and shall be published (so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require) either on the website of the Luxembourg Stock Exchange (www.bourse.lu) or in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*). Any such notice shall be deemed to have been given on the later of the date of such publication and the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes will be valid if published in a daily newspaper having general circulation in London (which is expected to be the *Financial Times*) and (so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require) in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) and (so long as the Notes are listed on the Vienna Stock Exchange and the rules of that exchange so require, such notices will be published in the *Amtsblatt zur Wiener Zeitung* (or otherwise as provided by the relevant Austrian law). If such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper having general circulation in Europe. Notices will, if published more than once in the same manner, be deemed to have been given on the date of the first publication in such newspapers as provided above and will, if published more than once on different dates or in a different manner, be deemed to have been given on the date of the last publication in both such newspapers as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Notes in accordance with this Condition 15.

## 16 Currency Indemnity

Any amount received or recovered in a currency other than the currency in which payment under the relevant Note, Receipt or Coupon is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction or otherwise) by any Noteholder, holder of a Receipt or Couponholder in respect of any sum expressed to be due to it from the Republic shall only constitute a discharge to the Republic to the extent of the amount in the currency of payment under the relevant Note, Receipt or Coupon that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than

the amount expressed to be due to the recipient under any Note, Receipt or Coupon, the Republic shall indemnify it against any loss sustained by it as a result. In any event, the Republic shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition 16, it shall be sufficient for the Noteholder, holder of a Receipt or Couponholder, as the case may be, to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Republic's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder, holder of a Receipt or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note, Receipt or Coupon or any other judgment or order.

## 17 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

## 18 Governing Law and Jurisdiction

### (a) Governing Law

The Notes, the Receipts, the Coupons, the Talons, the Deed Poll and the Deed of Covenant, and any non-contractual obligations arising out of or connection with them, are governed by, and shall be construed in accordance with, English law.

### (b) Jurisdiction

The Republic, for the exclusive benefit of each of the holders of the Notes, Receipts, Coupons and Talons, hereby irrevocably submits to the jurisdiction of the courts of England for all purposes in relation to the Notes, the Receipts, the Coupons and the Talons provided that such agreement and submission shall not prevent any such proceeding being taken in any other competent courts (except that the reference to such other courts shall not include any courts whose inclusion would otherwise render ineffective the Republic's agreement and submission to the jurisdiction of the English courts).

The Republic hereby irrevocably waives any claim that any legal action or proceedings brought in connection with the Notes, Receipts, Coupons and Talons in such courts has been brought in an inconvenient forum and, to the extent that it is legally able to do so, the Republic waives irrevocably any immunity to which it might otherwise be entitled in proceedings brought before such courts and consents irrevocably and generally in respect of any proceedings arising out of or in connection with the Notes, Receipts, Coupons and Talons to the giving of any relief or the issue of any process in the English courts in connection with such proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any judgement which may be given in such proceedings.

### (c) Service of Process

The Republic appoints the Ambassador for the time being of The Republic of Austria to the Court of St. James's as its authorised agent for the receipt of any writ, judgment or other process in connection with any proceedings in England and agrees that any writ, judgment or other process shall be sufficiently and effectively served on it if delivered to the said Ambassador at his official address for the time being in England or in any other manner permitted by law.

## FORM OF THE NOTES

### Bearer Notes

If the Global Notes are stated in the applicable Pricing Supplement to be issued in NGN form the Global Notes will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper. Depositing the Global Notes with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Bearer Notes of each Tranche of a Bearer series will initially be represented by a Temporary Global Note, or by a Permanent Global Note, each without Coupons, which in the case of CGNs, will be deposited with the Common Depositary, or in the case of NGNs, will be deposited with the Common Safekeeper, on the relevant Issue Date. In certain circumstances,[3] an Interim Note will be issued initially to represent a Temporary Global Note or Permanent Global Note, as applicable, to be held by the Common Depositary in the case of CGNs, or the Common Safekeeper in the case of NGNs, because such Temporary Global Note or Permanent Global Note will need to be countersigned by The Court of Accounts of The Republic of Austria immediately after the Issue Date for that particular series of Notes. In such circumstances, interests in the Interim Note will be exchanged in whole but not in part for interests in a Temporary Global Note or Permanent Global Note, as applicable, immediately upon receipt by the Common Depositary or the Common Safekeeper, as applicable, of the countersigned Temporary Global Note or Permanent Global Note, as applicable. Interests in a Temporary Global Note will be exchanged in whole or in part for interests in a Permanent Global Note representing Bearer Notes of the relevant Tranche or for definitive Bearer Notes of the relevant Tranche (as specified in the relevant Pricing Supplement), on or after its Exchange Date (as defined below), upon certification as to non-U.S. beneficial ownership.

If the Global Note is a CGN, upon the initial deposit of a Global Note with the Common Depositary, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. If the Global Note is a NGN, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

Each Interim Note, Temporary Global Note, Permanent Global Note and any Bearer Note, Receipt, Talon and Coupon will bear the following legend:

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[3] When the Issue Date for a particular series of Notes falls in a Fiscal Year and the Maturity Date falls in another Fiscal Year and when it is not possible to obtain the countersignature of the Court of Accounts on the applicable Temporary Global Note and/or the applicable Permanent Global Note before the Issue Date of such Temporary Global Note and/or Permanent Global Note.

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code."

### Summary of Provisions Relating to Bearer Notes while in Global Form

Each Temporary Global Note and each Permanent Global Note will contain provisions which apply to the Bearer Notes while they are in global form, some of which modify the effect of the terms and conditions of the Notes set out in this Offering Circular. Set out below is a summary of certain of those provisions. Words and expressions defined or used in "Terms and Conditions of the Notes" (as amended, supplemented and/or modified by the provisions of the relevant Pricing Supplement) shall, unless the context otherwise requires or permits, have the same meanings in the following summary:

## 1 Exchange

A Temporary Global Note may be exchanged (as described therein) in whole or in part for interests in a Permanent Global Note representing Bearer Notes or for definitive Bearer Notes (if so specified in the relevant Pricing Supplement) on or after its Exchange Date (as defined below) upon certification as to non-U.S. beneficial ownership in the form set out in the relevant Temporary Global Note. A Permanent Global Note is exchangeable in whole but not in part (free of charge to the holder) for definitive Bearer Notes if the relevant Permanent Global Note is held on behalf of a clearing system and such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so, by such holder giving notice to the Fiscal Agent.

If the Global Note is a CGN, on or after any Exchange Date (as defined below), the holder of a Permanent Global Note may surrender the relevant Permanent Global Note to or to the order of the Fiscal Agent. In exchange for the Permanent Global Note, the Republic will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated definitive Bearer Notes (if appropriate, having attached to them all Coupons and Talons in respect of interest, and all Receipts in respect of Instalment Amounts, that have not already been paid on the relevant Permanent Global Note and which have not become prescribed), security printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in Schedule 1 (Part I) to the Agency Agreement. On exchange of the relevant Permanent Global Note, the Republic will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant definitive Bearer Notes. If the Global Note is a NGN the Republic will procure that the details of such exchange be entered pro-rata in the records of the relevant clearing system.

"Exchange Date" means, in relation to a Temporary Global Note, the first day following the expiry of 40 days after the relevant Issue Date and, in relation to a Permanent Global Note, a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in which such clearing system is located.

## 2 Payments

No payments falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a Permanent Global Note or, as the case may be, definitive Bearer Notes is improperly withheld or refused. Payments on any Temporary Global Note issued in compliance with the D Rules under TEFRA before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Note. Payments in respect of Bearer Notes represented by a Permanent Global Note in CGN form will be made against presentation

for endorsement and, if no further payment falls to be made in respect of the Bearer Notes, surrender of the relevant Permanent Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified by the Republic to the holder for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed in the appropriate schedule to the relevant Permanent Global Note, which endorsement will be prima facie evidence that the payment in question has been made. Condition 7(d)(vii) and Condition 8(i)(f) will apply to the definitive Bearer Notes only. If the Global Note is a NGN, the Republic shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant clearing system and in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note will be reduced accordingly. Payments under a NGN will be made to its holder. Each payment so made will discharge the Republic's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "Business Day" set out in Condition 7(a)(iii).

## 3 Notices

So long as Bearer Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to Noteholders may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders, rather than by publication as required by the Conditions, except that so long as such Bearer Notes are listed on (i) the Luxembourg Stock Exchange and the rules of that Exchange so require, notices shall also be published either on the website of the Luxembourg Stock Exchange (www.bourse.lu) or in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or (ii) the Vienna Stock Exchange and the rules of that exchange so require, notices shall also be published in the *Amtsblatt zur Wiener Zeitung* or otherwise as provided by relevant Austrian laws.

## 4 Prescription

Claims against the Republic in respect of principal and interest in respect of a Permanent Global Note will become prescribed unless such Permanent Global Note is presented for payment within a period of 30 years (in the case of principal) and three years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8).

## 5 Meetings

The holder of a Permanent Global Note will (unless such Permanent Global Note represents only one Bearer Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

## 6 Cancellation and purchase

Cancellation of any Bearer Note represented by a Permanent Global Note which is required by the Conditions to be cancelled following its purchase will be effected by reduction in the nominal amount of the relevant Permanent Global Note and evidenced by the appropriate notation in the relevant schedule to such Permanent Global Note. Notes may only be purchased by the Republic if they are purchased together with the right to receive all future rights of interest and Instalment Amounts (if any) thereon.

## 7 Events of Default

The holder of a Global Note may exercise the right to declare Notes represented by such Global Note due and payable under Condition 9 by stating in the notice to the Fiscal Agent the nominal amount of Notes (which may be less than the outstanding nominal amount of the relevant Global Note) to which such notice relates. If principal in respect of any Notes is not paid when due, the holder of a Global Note may from time to time elect that direct rights ("Direct Rights") under the provisions of (and as defined in) an Amended and Restated Deed of Covenant dated 19 December 2012 (as further amended and restated, or supplemented from time to time the "Deed of Covenant") (a copy of which is available for inspection at the specified office of the Fiscal Agent) shall come into effect in respect of a nominal amount of Notes up to the aggregate nominal amount in respect of which such failure to pay principal has occurred. Such election shall be made by notice to the Fiscal Agent and presentation of the relevant Global Note to or to the order of the Fiscal Agent for reduction of the nominal amount of Notes represented by such Global Note by such amount as may be stated in such notice by endorsement in the appropriate schedule to the relevant Global Note. Upon each such notice being given, such Global Note shall become void to the extent of the nominal amount stated in such notice, save to the extent that the appropriate Direct Rights shall fail to take effect, for whatever reason.

## 8 Call option

If specified in the relevant Pricing Supplement as applying, the Republic's call option in Condition 6(d) may be exercised by the Republic giving notice to the Noteholders within the time limits set out in and containing the information required by Condition 6(d) except that the notice shall not be required to contain the serial numbers of Notes drawn for redemption in the case of a partial redemption of Notes and accordingly no drawing of Notes for redemption shall be required. In the event that any option of the Republic is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/ or Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) or any other Alternative Clearing System (as the case may be).

## 9 Put option

If specified in the relevant Pricing Supplement as applying, the Noteholders' put option in Condition 6(e) may be exercised by the holder of a Permanent Global Note giving notice to the Fiscal Agent except that the notice shall not be required to contain the serial numbers of the Bearer Notes in respect of which the option has been exercised of the nominal amount of Bearer Notes in respect of which the option is exercised and at the same time, where the Permanent Global Note is a CGN, presenting the relevant Permanent Global Note of exercise within the time limits specified in Condition 6(e) to the Fiscal Agent, or to a Paying Agent acting on behalf of the Fiscal Agent, for notation accordingly. Where the Global Note is a NGN, the Republic shall procure that details of such exercise shall be entered *pro rata* in the records of the relevant clearing system and the nominal amount of the Notes recorded in those records will be reduced accordingly.

## 10 NGN Nominal Amount

Where the Global Note is a NGN, the Republic shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, in addition to the circumstances set out above shall be entered in the records of the relevant clearing systems and upon any such entry being made, in respect of payments of principal, the nominal amount of the Notes represented by such Global Note shall be adjusted accordingly.

## 11 Partly Paid Notes

The provisions relating to Partly Paid Notes are not set out in this Offering Circular, but will be contained in the relevant Pricing Supplement and thereby in the Global Notes. While any instalments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Note representing such Notes may be exchanged for an interest in a Permanent Global Note or for definitive Bearer Notes (as the case may be). If any Noteholder fails to pay any instalment due on any Partly Paid Notes within the time specified, the Republic may forfeit such Notes and shall have no further obligation to their holder in respect of them.

### Registered Notes

Registered Notes of each Tranche of a Registered Series which are sold in an "offshore transaction" within the meaning of Regulation S ("Unrestricted Notes") will initially be represented by interests in a Regulation S Global Note, without interest coupons, deposited, in the case of Global Notes which will not be held under the NSS, with the Common Depositary for, and registered in the name of a common nominee of, Clearstream, Luxembourg and Euroclear on its Issue Date.

If the Global Notes are stated in the applicable Pricing Supplement to be held under the NSS, the Global Notes will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper. Depositing the Global Notes with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Registered Notes of such Tranche resold pursuant to Rule 144A ("Restricted Notes") will initially be represented by a DTC Restricted Global Note, without interest coupons, deposited with a custodian for, and registered in the name of a nominee of, DTC on its Issue Date. Any DTC Restricted Global Note and any individual definitive Restricted Notes will bear a legend applicable to purchasers who purchase the Registered Notes pursuant to Rule 144A as described under "Transfer Restrictions".

In certain circumstances,[4] an Interim Note will be issued initially to represent a Regulation S Global Note or a DTC Restricted Global Note, as applicable, to be held by the Common Depositary or Common Safekeeper (as the case may be) on behalf of Clearstream, Luxembourg and Euroclear or the custodian for DTC, respectively, because such Regulation S Global Note or DTC Restricted Global Note, as applicable, will need to be countersigned by the Republic of Austria Court of Accounts immediately after the Issue Date for that particular series of Notes. In such circumstances, interests in such Interim Note will be exchanged in whole but not in part for interests in the respective Regulation S Global Note or DTC Restricted Global Note, as applicable, immediately upon receipt by the Common Depositary, Common Safekeeper or custodian, respectively of the countersigned Regulation S Global Note or the DTC Restricted Global Note, as applicable.

### Summary of Provisions Relating to Registered Notes while in Global Form

Each Registered Global Note will contain provisions which apply to Registered Notes while they are in global form, some of which modify the effect of the terms and conditions of the Notes set out in this document. Set out below is a summary of certain of those provisions. Words and expressions defined or used in "Terms and Conditions of the Notes" (as amended, supplemented and/or modified by the

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[4] When the Issue Date for a particular Series of Notes falls in a Fiscal Year and the Maturity Date falls in another Fiscal Year and when it is not possible to obtain the countersignature of the Court of Accounts on the applicable Registered Global Note before the Issue Date of such Registered Global Note.

provisions of the relevant Pricing Supplement) shall, unless the context otherwise requires or permits, have the same meanings in the following summary:

## 1 Meetings

The holder of a Registered Global Note shall (unless the relevant Registered Global Note represents only one Registered Note) be treated as two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

## 2 Payments

All payments in respect of Notes represented by a Regulation S Global Note will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where Clearing System Business Day means Monday to Friday inclusive except 25 December and 1 January. If a Regulation S Global Note is held under the NSS, the Republic shall procure that details of each payment shall be entered *pro rata* in the records of the relevant clearing system and in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Regulation S Global Note will be reduced accordingly. Payments under a Registered Global Note will be made to its registered holder. Each payment so made will discharge the Republic's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge.

## 3 Notices

So long as the Registered Notes are represented by a Registered Global Note and such Registered Global Note is held by or on behalf of a custodian for DTC or another clearing system, notices to Noteholders may be given by delivery of the relevant notice to DTC or (as the case may be) such other clearing system for communication by it to entitled accountholders, rather than by publication as required by the Conditions, except that so long as such Registered Notes are listed on (i) the Luxembourg Stock Exchange and the rules of that Exchange so require, notices shall also be published either on the website of the Luxembourg Stock Exchange (www.bourse.lu) or in a leading daily newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or (ii) the Vienna Stock Exchange and the rules of that exchange so require, notices shall also be published in the *Amtsblatt zur Wiener Zeitung* or otherwise as provided by relevant Austrian laws.

## 4 Cancellation and purchase

Cancellation of any Note represented by a Registered Global Note which is required by the Conditions to be cancelled (other than upon its redemption) following its purchase will be effected by reduction in the nominal amount of the relevant Registered Global Note by notation in the Register of such reduction by the Registrar. Notes may only be purchased by the Republic if they are purchased together with the right to receive all future rights of interest and Instalment Amounts (if any) thereon.

## 5 Events of Default

The holder of a Registered Global Note may exercise the right to declare Notes represented by such Registered Global Note due and payable under Condition 9 by stating in the notice to the Fiscal Agent the nominal amount of Notes (which may be less than the outstanding nominal amount of the relevant Registered Global Note) to which such notice relates. If principal in respect of any Notes is not paid when due (but subject as provided below), the holder of a Registered Global Note may from time to time elect

that Direct Rights shall come into effect in respect of a nominal amount of Notes up to the aggregate nominal amount in respect of which such failure to pay principal has occurred. Such election shall be made by notice to the Registrar of reduction of the nominal amount of Notes represented by such Registered Global Note by such amount as may be stated in such notice by notation in the Register of such nominal amount of Notes formerly represented hereby as the nominal amount of Notes in respect of which Direct Rights have arisen under the Deed of Covenant. Upon each such notice being given, the relevant Registered Global Note shall become void to the extent of the nominal amount stated in such notice, save to the extent that the appropriate Direct Rights shall fail to take effect, for whatever reason.

No such election may however be made unless the transfer of the whole or a part of the holding of Notes represented by a Registered Global Note shall have been improperly withheld or refused.

## 6 Call option

If specified in the relevant Pricing Supplement as applying, the Republic's call option in Condition 6(d) may be exercised by the Republic giving notice to the Noteholders within the time limits set out in and containing the information required by Condition 6(d) except that the notice shall not be required to contain the serial numbers of Notes drawn for redemption in the case of a partial redemption of Notes and accordingly no drawing of Notes for redemption shall be required. Where Notes of a Series are represented by a Regulation S Global Note and a DTC Restricted Global Note then in circumstances where less than the aggregate nominal amount of Notes represented by such Registered Global Notes are to be redeemed, the nominal amount of Notes to be redeemed will be allocated between such Registered Global Notes on a *pro rata* basis (or as near thereto as may be practicable).

## 7 Put option

If specified in the relevant Pricing Supplement as applying, the Noteholders' put option in Condition 6(e) may be exercised by the holder of a Registered Global Note giving notice to the Fiscal Agent of the nominal amount of Registered Notes in respect of which the option is expressed and presenting the Registered Global Notes for endorsement of exercise within the time limits specified in Condition 6(e). Where the Registered Global Note is held under the NSS, the Republic shall procure that details of such exercise shall be entered *pro rata* in the records of the relevant clearing system and the nominal amount of the Notes recorded in those records will be reduced accordingly.

For provisions relating to registration of title to Registered Notes in a name other than a depositary or its nominee for Clearstream, Luxembourg, Euroclear or DTC and the issuance of definitive Registered Notes, see "Clearing and Settlement — Individual Certificates".

### Euro Equivalent

For the purpose of calculating the euro equivalent of the nominal amount of Notes outstanding under the Programme from time to time, the euro equivalent of Notes denominated in another currency shall be determined, at the discretion of the Republic, either as of the date of agreement to issue such Notes (the "Agreement Date") or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in either case on the basis of the Exchange Rate on the relevant date of calculation. As used herein, the "Exchange Rate" means the reference rate of exchange of euros against the Specified Currency published by the European Central Bank on the relevant date or, if no such rate is published on that day or if such reference rate is not set by the European Central Bank for that Specified Currency, the spot rate of euro against the purchase of such other relevant currency in the London foreign exchange market as quoted by the Fiscal Agent or any other leading bank selected by the Republic at its discretion on the Agreement Date or on the preceding day on which commercial banks and foreign exchange markets are open for business in London.

The euro equivalent of any Zero Coupon Note and any other Note issued at a discount shall be calculated, in relation to the Specified Currency, in the manner specified above and with the Exchange Rate so determined to apply in respect of any other euro equivalent determination for the same Notes and, in relation to the nominal amount, by reference to the amortisation yield formula as specified in the Conditions applicable to such Notes as of the same dates as specified in the preceding paragraph or, if no formula is so specified, the nominal amount of the Notes. The euro equivalent of a Note issued at a premium shall be calculated in the manner specified above by reference to the net proceeds received by the Republic from the relevant issue of Notes.

## CLEARING AND SETTLEMENT

### Book-Entry Ownership

#### Bearer Notes

The Republic will make applications to Clearstream, Luxembourg and Euroclear for acceptance in their respective book-entry systems in respect of any Bearer Series of Notes. In respect of Bearer Notes, a Temporary Global Note and/or a Permanent Global Note in bearer form without Coupons will be, and in certain circumstances, an Interim Note may be, deposited with the Common Depositary or Common Safekeeper (as the case may be) for Clearstream, Luxembourg and Euroclear. Transfers of interests in a Temporary Global Note or a Permanent Global Note will be made in accordance with the normal Euromarket debt securities operating procedures of Clearstream, Luxembourg and Euroclear.

#### Registered Notes

The Republic will make applications to Clearstream, Luxembourg and Euroclear for acceptance in their respective book-entry systems in respect of the Notes to be represented by a Regulation S Global Note. Each Regulation S Global Note will have an ISIN and a Common Code.

The Republic and the relevant Dealer(s) will make application to DTC for acceptance in its book-entry settlement system of the Restricted Notes represented by each DTC Restricted Global Note. Each DTC Restricted Global Note will have a CUSIP number. Each DTC Restricted Global Note will be subject to restrictions on transfer contained in a legend appearing on the front of such Note, as set out under "Transfer Restrictions". In certain circumstances, as described below in "Transfers of Registered Notes", transfers of interests in a DTC Restricted Global Note may be made as a result of which such legend is no longer applicable.

The custodian with whom the DTC Restricted Global Notes are deposited (the "Custodian") and DTC will electronically record the nominal amount of the Restricted Notes held within the DTC system. Investors in Notes of such Series may hold their interests in a Regulation S Global Note only through Clearstream, Luxembourg or Euroclear. Investors may hold their interests in a DTC Restricted Global Note directly through DTC if they are participants in the DTC system, or indirectly through organisations which are participants in such system.

Payments of the principal of, and interest on, each DTC Restricted Global Note registered in the name of DTC's nominee will be to or to the order of its nominee as the registered owner of such DTC Restricted Global Note. The Republic expects that the nominee, upon receipt of any such payment, will immediately credit DTC participants' accounts with payments in amounts proportionate to their respective beneficial interests in the nominal amount of the relevant DTC Restricted Global Note as shown on the records of DTC or the nominee. The Republic also expects that payments by DTC participants to owners of beneficial interests in such DTC Restricted Global Note held through such DTC participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC participants. Neither the Republic nor any Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in the DTC Restricted Global Notes or for maintaining, supervising or reviewing any records relating to such ownership interests.

All Registered Notes will initially be in the form of one or more Interim Notes (if necessary) or a Regulation S Global Note and/or a DTC Restricted Global Note. Individual Definitive Registered Notes will only be available, in the case of Unrestricted Notes, in amounts specified in the applicable Pricing Supplement, and, in the case of Restricted Notes, in amounts of U.S.$100,000 (or its equivalent rounded

upwards as agreed between the Republic and the relevant Dealer(s)), or higher integral multiples of U.S.$1,000, in certain limited circumstances described below.

### Individual Certificates

Registration of title to Registered Notes in a name other than a depositary or its nominee for Clearstream, Luxembourg and Euroclear or for DTC will not be permitted unless (i) in the case of Restricted Notes represented by a DTC Restricted Global Note, DTC notifies the Republic that it is no longer willing or able to discharge properly its responsibilities as depositary with respect to the DTC Restricted Global Notes, or ceases to be a "clearing agency" registered under the U.S. Securities Exchange Act of 1934 (the "Exchange Act"), or is at any time no longer eligible to act as such and the Republic is unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC or (ii) in the case of Unrestricted Notes represented by a Regulation S Global Note, Clearstream, Luxembourg or Euroclear is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does, in fact do so. In such circumstances, the Republic will cause sufficient individual Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Noteholder(s). A person having an interest in a Registered Global Note must provide the Registrar with:

(i) a written order containing instructions and such other information as the Republic and the Registrar may require to complete, execute and deliver such individual Certificates; and

(ii) in the case of a DTC Restricted Global Note only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange, or in the case of a simultaneous resale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Individual Certificates issued pursuant to this paragraph (ii) shall bear the legends applicable to transfers pursuant to Rule 144A.

### Transfers of Registered Notes

Transfers of interests in Registered Global Notes within DTC, Clearstream, Luxembourg and Euroclear will be in accordance with the usual rules and operating procedures of the relevant clearing system. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a DTC Restricted Global Note to such persons may be limited. Because DTC can only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a DTC Restricted Global Note to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

Beneficial interests in a Regulation S Global Note may be held only through Clearstream, Luxembourg or Euroclear. Transfers may be made at any time by a holder of an interest in a Regulation S Global Note to a transferee who wishes to take delivery of such interest through the DTC Restricted Global Note for the same Series of Notes provided that any such transfer made on or prior to the expiration of the Distribution Compliance Period (as defined in "Subscription and Sale") relating to the Notes represented by such Regulation S Global Note will only be made upon receipt by the Registrar or any Transfer Agent of a written certificate from the transferor of such interest to the effect that such transfer is being made to a person whom the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities law of any state of the United States or any other jurisdiction. Any such transfer made thereafter of the Notes represented by such Regulation S Global Note will only be made upon

request through Clearstream, Luxembourg or Euroclear by the holder of an interest in the Regulation S Global Note to the Fiscal Agent and receipt by the Fiscal Agent of details of that account at DTC to be credited with the relevant interest in the DTC Restricted Global Note. Transfers at any time by a holder of any interest in the DTC Restricted Global Note to a transferee who takes delivery of such interest through a Regulation S Global Note will only be made upon delivery to the Registrar or any Transfer Agent of a certificate setting forth compliance with the provisions of Regulation S and giving details of the account at Clearstream, Luxembourg or Euroclear, as the case may be, and DTC to be credited and debited, respectively, with an interest in the relevant Registered Global Notes.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described above and under "Transfer Restrictions", cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Custodian, the Registrar and the Fiscal Agent.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream, Luxembourg and Euroclear and transfers of Notes of such Series between participants in DTC will generally have a settlement date three business days after the trade date ("T+3"). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream, Luxembourg or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. However, as a result of time zone differences, securities received in Clearstream, Luxembourg or Euroclear as a result of a transaction with a DTC participant will be credited to the relevant account at Clearstream, Luxembourg or Euroclear during the securities settlement processing date dated the business day (T+4) following the DTC settlement date. Similarly, cash received in Clearstream, Luxembourg or Euroclear as a result of a sale of securities by or through a Clearstream, Luxembourg or Euroclear account holder to a DTC participant will be available in the relevant Clearstream, Luxembourg or Euroclear cash account only on the business day (T+4) following the DTC settlement date. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

For a further description of restrictions on transfer of Registered Notes, see "Transfer Restrictions".

DTC will take any action permitted to be taken by a holder of Registered Notes (including, without limitation, the presentation of DTC Restricted Global Notes for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in DTC Restricted Global Notes are credited and only in respect of such portion of the aggregate nominal amount of the relevant DTC Restricted Global Notes as to which such participation or participants has or have given such direction. However, in the circumstances described above, DTC will surrender the relevant DTC Restricted Global Notes for exchange for individual Definitive Registered Notes (which will, in the case of Restricted Notes, bear the legend applicable to transfers pursuant to Rule 144A).

DTC is a limited purpose trust company organised under the New York Banking Law, a "banking organisation" under the New York Banking Law, a member of the U.S. Federal Reserve System, a "clearing corporation" with the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants and facilitate the clearance and settlement of securities transactions between participants through electronic computerised book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect

access to DTC is available to others, such as banks, securities brokers, dealers and trust companies, that clear through or maintain a custodial relationship with a DTC direct participant, either directly or indirectly.

Although DTC, Clearstream, Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the Registered Global Notes among participants and accountholders of DTC, Clearstream, Luxembourg and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither the Republic nor any Agent will have any responsibility for the performance by DTC, Clearstream, Luxembourg or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

### Pre-Issue Trades Settlement

It is expected that delivery of Notes will be made against payment therefor on the relevant Issue Date, which could be more than three business days following the date of pricing. Under Rule 15c6-1 under the Exchange Act, trades in the United States secondary market generally are required to settle within T+3, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes in the United States on the date of pricing or the next succeeding business days until the relevant Issue Date will be required, by virtue of the fact the Notes initially will settle beyond T+3, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Notes may be affected by such local settlement practices and purchasers of Notes who wish to trade Notes between the date of pricing and the relevant Issue Date should consult their own adviser.

## USE OF PROCEEDS

The net proceeds of any issue of Notes will be used by the Republic for general financing and debt management purposes of the federal state and/or its provincial states and/or for public infrastructure measures of legal entities owned by the Republic or as otherwise specified in the applicable Pricing Supplement.

## SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Republic to or through any one or more Dealers. The arrangements under which the Notes may from time to time be agreed to be sold by the Republic to or through Dealers are set out in the Amended and Restated Standard Provisions dated 19 December 2012 (as further amended, supplemented and/or restated from time to time, the "Standard Provisions"). The Standard Provisions will be incorporated by reference into the agreement by which Dealers are subsequently appointed in respect of a particular issue of Notes. Any agreement for the sale of Notes will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, whether the placement of the Notes is underwritten or sold on an agency basis only, the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) which are payable or allowable by the Republic in respect of such purchase and the form of any indemnity to the Dealers against certain liabilities in connection with the offer and sale of the relevant Notes.

### United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

The Notes are being offered and sold outside the United States in reliance on Regulation S. The Standard Provisions provide that each Dealer to be appointed under the Programme may directly or through their respective U.S. broker-dealer affiliates arrange for the offer and resale of Notes within the United States only to qualified institutional buyers in reliance on Rule 144A.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of Notes, an offer or sale of Notes within the United States by any Dealer (whether or not participating in the offering of such tranche of Notes) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

This Offering Circular has been prepared by the Republic for use in connection with the offer and sale of the Notes outside the United States and for the resale of the Notes in the United States. The Republic and each Dealer to be appointed under the Programme reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Offering Circular does not constitute an offer to any person in the United States, other than any qualified institutional buyer within the meaning of Rule 144A to whom an offer has been made directly by one of the Dealers to be appointed under the Programme or its U.S. broker-dealer affiliate. Distribution of this Offering Circular in the United States, other than to any qualified institutional buyer and those persons, if any, retained to advise such qualified institutional buyer with respect thereto, is unauthorised and any disclosure without the prior written consent of the Republic of any of its contents, other than to any qualified institutional buyer and those persons, if any, retained to advise such qualified institutional buyer, is prohibited.

### United Kingdom

Each Dealer will be required to represent, warrant and agree that it has complied with and will comply with all applicable provisions of the Financial Services and Markets Act 2000 with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

## Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "Financial Instruments and Exchange Act"). Accordingly, each Dealer to be appointed under the Programme in respect of an issue of Notes will be required to represent, warrant and agree that it will not offer or sell any Notes directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and other relevant laws and regulations of Japan. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

## Federal Republic of Germany

Each Dealer to be appointed under the Programme in respect of a series of Notes will be required to represent, warrant and agree that it has not offered or sold and will not offer or sell Notes in the Federal Republic of Germany other than in compliance with the provisions of the German Securities Sales Prospectus Act of 22 June 2005 (*Wertpapierprospektgesetz*), as amended, or any other laws applicable to the Federal Republic of Germany governing the issue, offer and sale of securities in the Federal Republic of Germany.

## Republic of France

Each of the Dealer and the Republic represents, warrants and agrees that it has not offered or sold, and will not offer or sell, directly or indirectly Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Offering Circular or any other offering material relating to the Notes, and that such offers, sales and distributions have been and shall only be made in France to (i) providers of investment services relating to portfolio management for the account of third parties, and/or (ii) qualified investors (*investisseurs qualifiés*), all as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Code *monétaire et financier*.

## General

No action has been or will be taken in any jurisdiction by any Dealer or the Republic that would permit a public offering of any of the Notes, or possession or distribution of this Offering Circular, or any part thereof including any Pricing Supplement, or any other offering or publicity material relating to the Notes, in any country or jurisdiction where action for that purpose is required. Each Dealer to be appointed under the Programme in respect of an issue of Notes will be required to agree that it will comply with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells, or delivers Notes or has in its possession or distributes this Offering Circular, or any part thereof including any Pricing Supplement, or any such other material, in all cases at its own expense. Each Dealer to be appointed under the Programme in respect of an issue of Notes will be required to agree that it will also ensure that no obligations are imposed on the Republic in any such jurisdiction as a result of any of the foregoing actions (except to the extent that such actions are the actions of the Republic). The Republic will have no responsibility for, and each Dealer to be appointed under the Programme in respect of an issue of Notes will be required to agree that it will obtain any consent, approval or permission required by it for, the acquisition, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in or from which it may make any acquisition, offer, sale or delivery.

No Dealer is authorised to make any representation or use any information in connection with the issue, offering and sale of the Notes other than as contained in this Offering Circular, including the applicable Pricing Supplement, and any other information or document supplied by the Republic for use in connection with such offering and sale.

Selling restrictions may be modified by the agreement of the Republic and the relevant Dealers. Any such modification will be set out in the Pricing Supplement issued in respect of each Tranche to which it relates or in a supplement to this Offering Circular.

## TRANSFER RESTRICTIONS

### Rule 144A Notes

Each purchaser of Notes within the United States, pursuant to Rule 144A, by accepting delivery of this Offering Circular, will be deemed to have represented, agreed and acknowledged that:

(i) It is (a) a qualified institutional buyer within the meaning of Rule 144A ("QIB"), (b) acquiring such Notes for its own account or for the account of a QIB and (c) aware, and each beneficial owner of such Restricted Notes has been advised, that the sale of such Notes to it is being made in reliance on Rule 144A.

(ii) The Restricted Notes have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of a QIB, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any State of the United States.

(iii) It understands that such Notes, unless the Republic determines otherwise in compliance with applicable law, will bear a legend to the following effect:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR RESALES OF THIS NOTE.

(iv) If it is acquiring any Notes for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

(v) It understands that the Notes offered in reliance on Rule 144A will be represented by the DTC Restricted Global Note. Before any interest in the DTC Restricted Global Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Regulation S Global Note, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws.

(vi) It understands that the Republic, the Registrar, any Dealer and its affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

### Regulation S Notes

Each purchaser of Notes outside the United States, pursuant to Regulation S, by accepting delivery of this Offering Circular and the Notes, will be deemed to have represented, agreed and acknowledged that:

(i) It is, or at the time such Notes are purchased will be, the beneficial owner of such Notes and (a) it is located outside the United States and (b) it is not an affiliate of the Republic or a person acting on behalf of such an affiliate.

(ii) It understands that such Notes have not been and will not be registered under the Securities Act.

(iii) It understands that the Republic, the Registrar, each Dealer to be appointed under the Programme and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

(iv) It understands that the Notes offered in reliance on Regulation S will be represented by the Regulation S Global Note. Prior to the expiration of the distribution compliance period, before any interest in the Regulation S Global Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the DTC Restricted Global Note, it will be required to provide the Registrar or any Transfer Agent with a written certification (if the form provided in the Agency Agreement) as to compliance with applicable securities laws.

## GENERAL INFORMATION

(1) It is expected that Bearer Notes and Registered Notes represented by a Regulation S Global Note will be accepted for clearance through Euroclear and Clearstream, Luxembourg. The Common Code for each Bearer Series of Notes, together with the relevant ISIN number and the CUSIP number for each Tranche of Registered Notes, will be contained in the Pricing Supplement relating thereto. In addition, the Republic will make an application with respect to any Restricted Notes of a Registered Series to be accepted for trading in book-entry form by DTC. Acceptance by DTC of Restricted Notes of each Tranche of a Registered Series will be confirmed in the applicable Pricing Supplement.

(2) The establishment of the Programme was authorised by the Federal Budget Accounting Act 2013, as amended and the Austrian Federal Constitution. All consents, approvals, authorisations and other orders of all regulatory authorities under the laws of the Republic have been given for the establishment of the Programme and the execution of the Agency Agreement and are in full force and effect. Each issue of Notes under the Programme shall be authorised by the relevant Federal Budget Act applicable at the time of such issue and full details of such authorisation will be provided in the applicable Pricing Supplement relating to such Notes.

(3) The Republic is not involved in any litigation or arbitration proceedings which are material in the context of the Programme or the issue of Notes under the Programme nor, so far as the Republic is aware, are any such litigation or arbitration proceedings pending or threatened.

(4) Copies of the Agency Agreement, the Deed Poll and the Deed of Covenant will be available for inspection, at the specified offices of each of the Agents during normal business hours, so long as any of the Notes are outstanding. Copies of this Offering Circular, any supplements to this Offering Circular and any Pricing Supplement will be obtainable at the office of the Paying Agent in Luxembourg.

(5) The Republic has agreed that, for so long as any Notes are "restricted securities", within the meaning of Rule 144(a)(3) under the Securities Act, the Republic will, during any period in which it is neither subject to Section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner for delivery to such holder, beneficial owner or prospective purchaser, in each case upon the request of such holder, beneficial owner or, prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the Securities Act.

(6) EC Council Directive 2003/48/EC on the taxation of savings income (the "Savings Directive") requires EU Member States to provide to the tax authorities of other EU Member States details of payments of interest and other similar income paid by a person established within its jurisdiction to (or for the benefit of) an individual or certain other persons in that other EU Member State, except that Austria and Luxembourg will instead impose a withholding system for a transitional period (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld) unless during such period they elect otherwise. The European Commission has proposed certain amendments to the Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

(7) Neither the Republic nor any Dealer makes any comment about the treatment for taxation purposes of payments or receipts in respect of any Notes. Each investor contemplating the acquisition of Notes is advised to consult a professional adviser in connection with the consequences resulting from the acquisition, retention or disposition of Notes.

(8) The Luxembourg Stock Exchange has, for listing purposes, allocated to the Programme the number 12153.

## FORM OF PRICING SUPPLEMENT

*The following is the form of Pricing Supplement which is annexed to the Standard Provisions and which can be used to give details of any particular Tranche of Notes:*

**Pricing Supplement**
**[and Supplemental Offering Circular]**

Euro 30,000,000,000 Medium Term Note Programme

Series No: [●]
[Tranche No:[●]]

[Currency and Amount [Description of Notes] [due [●]]

issued by

The Republic of Austria

Issue Price: [●]

[DEALER NAME(S)]

The date of this Pricing Supplement is [●]

This Pricing Supplement is issued to give details of a Tranche of medium term notes (the "Notes") to be issued by The Republic of Austria (the "Republic") pursuant to its Euro 30,000,000,000 Medium Term Note Programme (the "Programme"). It is supplementary to, and should be read in conjunction with, the terms and conditions of the Notes (the "Terms and Conditions") set out in the Offering Circular dated 19 December 2012 (including any amendments or supplements thereto (other than other Pricing Supplements), the "Offering Circular") issued in relation to the Programme. Terms defined in the Offering Circular have the same meanings in this Pricing Supplement.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

**THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "SECURITIES ACT") [AND THE NOTES COMPRISE BEARER NOTES THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS].[5] SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE [OFFERED OR SOLD][6] [OFFERED, SOLD OR DELIVERED][5] WITHIN THE UNITED STATES [OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED, AND REGULATIONS THEREUNDER)].[5] THIS PRICING SUPPLEMENT HAS BEEN PREPARED BY THE REPUBLIC FOR USE IN CONNECTION WITH THE OFFER AND SALE OF THE NOTES OUTSIDE THE UNITED STATES IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT ("REGULATION S") [AND WITHIN THE UNITED STATES TO "QUALIFIED INSTITUTIONAL BUYERS" IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT ("RULE 144A")][6] [AND FOR LISTING OF THE NOTES ON THE LUXEMBOURG STOCK EXCHANGE/VIENNA STOCK EXCHANGE.[7] [PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT SELLERS OF THE NOTES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A].[6] FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE NOTES AND DISTRIBUTION OF THIS PRICING SUPPLEMENT AND OFFERING CIRCULAR, SEE "SUBSCRIPTION AND SALE" CONTAINED IN THE OFFERING CIRCULAR.**

[Set out any additions or variations to the selling restrictions].

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

The issue of the Notes has been authorised by [INSERT RELEVANT STATUTE].

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[5] Retain for a Bearer Series. Delete for a Registered Series.

[6] Retain for a Registered Series. Delete for a Bearer Series.

[7] Delete or retain as appropriate.

## TERMS AND CONDITIONS

The following items under this heading "Terms and Conditions" are the particular terms which relate to the Tranche of the Notes the subject of this Pricing Supplement.

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.]*

| | | |
|---|---|---|
| 1 | Issuer: | [●] |
| 2 | (i) Series Number: | [●] |
| | (ii) [Tranche Number: | [●] |
| | (*If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible*.)] | |
| 3 | Specified Currency or Currencies: | [●] |
| 4 | Aggregate Nominal Amount: | |
| | (i) Series: | [●] |
| | (ii) [Tranche: | [●]] |
| 5 | (i) Issue Price: | [●] per cent. of the Aggregate Nominal Amount [of the Tranche plus accrued interest from [*insert date*] (*in the case of fungible issues only, if applicable*)] |
| | (ii) [Net proceeds: | [●] (*Required only for listed issues*)] |
| 6 | Specified Denominations: | [●] |
| 7 | (i) Issue Date: | [●] |
| | (ii) [Interest Commencement Date (if different from the Issue Date): | [●]] |
| 8 | Maturity Date: | [*specify date or (for Floating Rate Notes) Interest Payment Date falling in the relevant month and year*] |
| 9 | Interest Basis: | [[●] per cent. Fixed Rate]<br>[[specify reference rate] +/- [●] per cent. Floating Rate]<br>[Zero Coupon]<br>[Index Linked Interest]<br>[Other (*specify*)]<br>(further particulars specified below) |
| 10 | Redemption/Payment Basis: | [Redemption at par]<br>[Index Linked Redemption]<br>[Dual Currency]<br>[Partly Paid]<br>[Instalment]<br>[Other (*specify*)] |

| | | |
|---|---|---|
| 11 | Change of Interest or Redemption/Payment Basis: | [*Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis*] |
| 12 | Put/Call Options: | [Put]<br>[Call]<br>[(further particulars specified below)] |
| 13 | Status of the Notes: | Senior |
| 14 | Listing: | [Luxembourg/Vienna/Other (*specify*)/None] |
| 15 | Method of distribution: | [Syndicated/Non-syndicated] |

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

| | | |
|---|---|---|
| 16 | Fixed Rate Note Provisions | [Applicable/Not Applicable]<br>(*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | (i) Rate[(s)] of Interest: | [●] per cent. per annum [payable [annually/semi-annually/quarterly/ monthly] in arrear] |
| | (ii) Interest Payment Date(s): | [●] in each year |
| | (iii) Fixed Coupon Amount[(s)] | [●] per [●] in nominal amount |
| | (iv) Broken Amount: | [*Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)] and the Interest Payment Date(s) to which they relate*] |
| | (v) Day Count Fraction (Condition 5(k)): | [●]<br>(*Day count fraction should be Actual/Actual - ICMA for all fixed rate issues other than those denominated in U.S. dollars, unless the client requests otherwise*) |
| | (vi) Determination Date(s) (Condition 5(k)): | [Insert day(s) and month(s) on which interest is normally paid (if more than one, then insert such dates in the alternative)] in each year[8] |
| | (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: | [Not Applicable/*give details*] |
| 17 | Floating Rate Note Provisions | [Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph. Also consider whether EURO BBA LIBOR or EURIBOR is the appropriate reference rate for Notes denominated in euro*) |
| | (i) Specified Period(s)/Specified Interest Payment Dates: | [●] |
| | (ii) Business Day Convention: | [Floating Rate Business Day Convention/Following Business Day |

[8] Only to be completed for an issue where Day Count Fraction is Actual/Actual — ICMA

| | | |
|---|---|---|
| | | Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)] |
| (iii) | Additional Business Centre(s) (Condition 5(k)): | [●] |
| (iv) | Manner in which the Rate(s) of Interest is/are to be determined: | [Screen Rate Determination/ISDA Determination/other (*give details*)] |
| (v) | Interest Period Date(s): | [Not Applicable/*specify dates*] |
| (vi) | Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): | [●] |
| (vii) | Screen Rate Determination (Condition 5(b)(iii)(B)): | |
| | – Relevant Time: | [●] |
| | – Interest Determination Date: | [*[●] [TARGET] Business Days in [specify city] for [specify currency] prior to [the first day in each Interest Accrual Period/each Interest Payment Date]*] |
| | – Primary Source for Floating Rate: | [*Specify relevant screen page or "Reference Banks"*] |
| | – Reference Banks (if Primary Source is "Reference Banks"): | [*Specify four*] |
| | – Relevant Financial Centre: | [*The financial centre most closely connected to the Benchmark - specify if not London*] |
| | – Benchmark: | [*LIBOR, LIBID, LIMEAN, EURIBOR or other benchmark*] |
| | – Representative Amount: | [*Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount*] |
| | – Effective Date: | [*Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period*] |
| | – Specified Duration: | [*Specify period for quotation if not duration of Interest Accrual Period*] |
| (viii) | ISDA Determination (Condition 5(b)(iii)(A)): | |
| | – Floating Rate Option: | [●] |
| | – Designated Maturity: | [●] |
| | – Reset Date: | [●] |
| | – ISDA Definitions (if different from those set out in the Conditions): | [●] |
| (ix) | Margin(s): | [+/-] [●] per cent. per annum |
| (x) | Minimum Rate of Interest: | [●] per cent. per annum |

| | | |
|---|---|---|
| | (xi) Maximum Rate of Interest: | [●] per cent. per annum |
| | (xii) Day Count Fraction (Condition 5(k)): | [●] |
| | (xiii) Rate Multiplier: | [●] |
| | (xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: | [●] |
| 18 | Zero Coupon Note Provisions | [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| | (i) Amortisation Yield (Condition 6(c)): | [●] per cent. per annum |
| | (ii) Day Count Fraction (Condition 5(k)): | [●] |
| | (iii) Any other formula/basis of determining amount payable: | [●] |
| 19 | Index Linked Interest Note Provisions | [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| | (i) Index/Formula: | [*Give or annex details*] |
| | (ii) Calculation Agent responsible for calculating the interest due: | [●] |
| | (iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable: | [●] |
| | (iv) Specified Period(s)/Specified Interest Payment Dates: | [●] |
| | (v) Business Day Convention: | [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)] |
| | (vi) Additional Business Centre(s) (Condition 5(k)): | [●] |
| | (vii) Minimum Rate of Interest: | [●] per cent. per annum |
| | (viii) Maximum Rate of Interest: | [●] per cent. per annum |
| | (ix) Day Count Fraction (Condition 5(k)): | [●] |
| 20 | Dual Currency Note Provisions | [Applicable/Not Applicable]<br>*(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| | (i) Rate of Exchange/Method of calculating Rate of Exchange: | [*Give details*] |

| | | |
|---|---|---|
| (ii) | Calculation Agent, if any, responsible for calculating the principal and/or interest due: | [●] |
| (iii) | Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: | [●] |
| (iv) | Person at whose option Specified Currency(ies) is/are payable: | [●] |
| (v) | Day Count Fraction (Condition 5(k)): | [●] |

**PROVISIONS RELATING TO REDEMPTION**

| | | |
|---|---|---|
| 21 | Call Option (Condition 6(d)) | [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| (i) | Optional Redemption Date(s): | [●] |
| (ii) | Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): | [●] |
| (iii) | If redeemable in part: | [●] |
| (a) | Minimum nominal amount to be redeemed: | [●] |
| (b) | Maximum nominal amount to be redeemed: | [●] |
| (iv) | Option Exercise Date(s): | [●] |
| (v) | Description of any other Republic's option: | [●] |
| (vi) | Notice period (if other than as set out in the Conditions): | |
| 22 | Put Option (Condition 6(e)) | [Applicable/Not Applicable]<br>*(If not applicable, delete the remaining sub-paragraphs of this paragraph)* |
| (i) | Optional Redemption Date(s): | [●] |
| (ii) | Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): | [●] |
| (iii) | Option Exercise Date(s): | [●] |
| (iv) | Description of any other Noteholders' option: | [●] |
| (v) | Notice period (if other than as set out in the Conditions): | [●] |
| 23 | Final Redemption Amount | [Nominal amount/Other/See Appendix] |
| 24 | Early Redemption Amount | |
| (i) | Early Redemption Amount(s) payable on an event of default (Condition 9) | [●] |

| | | |
|---|---|---|
| | and/or the method of calculating the same (if required or if different from that set out in the Conditions): | |
| | (ii) Unmatured Coupons to become void upon early redemption (Bearer Notes only) (Condition 7(e)): | [Yes/No/Not Applicable] |

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

| | | |
|---|---|---|
| 25 | Form of Notes: | [Bearer Notes/Registered Notes]<br>[*Delete as appropriate*] |
| | (i) Temporary or Permanent Global Note/Certificate: | [Temporary Global Note/Certificate exchangeable for a Permanent Global Note/Certificate which is exchangeable for Definitive Notes/Certificates in the limited circumstances specified in the Permanent Global Note/Certificate]<br>[Temporary Global Note/Certificate exchangeable for Definitive Notes/Certificates]<br>[Permanent Global Note/Certificate exchangeable for Definitive Notes/Certificates in the limited circumstances specified in the Permanent Global Note/Certificate]<br>[Regulation S Global Note ([euro] [●] nominal amount)/DTC Restricted Global Note ([euro] [●] nominal amount) registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the NSS)]][9] |
| | (ii) Applicable TEFRA exemption: | [C Rules/D Rules/Not Applicable] |
| | (iii) Interim Note required: | [Yes/No] |
| | (iv) New Global Note: | [Yes/No] |
| 26 | Additional Financial Centre(s) (Condition 7(a)(iii)) or other special provisions relating to payment dates: | [Not Applicable/*Give details*.] [*Note that this item relates to the place of payment, and not interest period end dates, to which paragraph 17(iii) and paragraph 19(vi) relate*] |
| 27 | Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | [Yes/No. *If yes, give details*] |
| 28 | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Republic to | [Not Applicable/*give details*] |

[9] For DTC Restricted Global Notes, additional disclosure relating to United States taxation will be required.

| | | |
|---|---|---|
| | forfeit the Notes and interest due on late payment: | |
| 29 | Details relating to Instalment Notes: | [Not Applicable/*give details*] |
| | (i) Instalment Amount(s): | [●] |
| | (ii) Instalment Date(s): | [●] |
| | (iii) Minimum Instalment Amount: | [●] |
| | (iv) Maximum Instalment Amount: | [●] |
| 30 | Redenomination, renominalisation and reconventioning provisions: | [Not Applicable/The provisions annexed to this Pricing Supplement apply] |
| 31 | Consolidation provisions: | [Not Applicable/The provisions annexed to this Pricing Supplement apply] |
| 32 | Other terms or special conditions: | [Not Applicable/*give details*][10] |

**DISTRIBUTION**

| | | |
|---|---|---|
| 33 | (i) If syndicated, names of Managers: | [Not Applicable/*give names*] |
| | (ii) Stabilising Manager(s) (if any): | [Not Applicable/*give name*] |
| | (iii) Dealer's Commission: | [●] |
| 34 | If non-syndicated, name of Dealer: | [Not Applicable/*give name*] |
| 35 | Additional selling restrictions: | [Not Applicable/*give details*] |

**OPERATIONAL INFORMATION**

| | | |
|---|---|---|
| 36 | Intended to be held in a manner which would allow Eurosystem eligibility: | [Yes/No]<br><br>[Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,][*include this text for registered note*s] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.][*include this text if "yes" is selected in which case the Notes must be issued in NGN form or held under the NSS as applicable*] |

[10] If full terms and conditions are to be used, please add the following here:

"The full text of the Conditions which apply to the Notes [and which will be endorsed on the Notes in definitive form] are set out in [the Annex hereto], which Conditions replace in their entirety those appearing in the Offering Circular for the purposes of these Notes and such Conditions will prevail over any other provision to the contrary."

The first set of bracketed words is to be deleted where there is a permanent global Note instead of Notes in definitive form. The full Conditions should be attached to and form part of the pricing supplement.

| | | |
|---|---|---|
| 37 | ISIN Code: | [●] |
| 38 | Common Code: | [●] |
| 39 | Any clearing system(s) other than Euroclear, Clearstream, Luxembourg and DTC and the relevant identification number(s): | [Not Applicable/*give name(s) and number(s)*] |
| 40 | Delivery: | Delivery [against/free of] payment |
| 41 | The Agents appointed in respect of the Notes are: | [●][11] |

**GENERAL**

| | | |
|---|---|---|
| 42 | The aggregate nominal amount of Notes issued has been translated into euro at the rate of [●], producing a sum of (for Notes not denominated in euro): | [Not Applicable/[euro] [●]] |

**[LISTING APPLICATION**

This Pricing Supplement comprises the details required to list the issue of Notes described herein on the [Luxembourg Stock Exchange/Vienna Stock Exchange] pursuant to the Euro 30,000,000,000 Medium Term Note Programme of The Republic of Austria.]

Signed on behalf of The Republic of Austria:

By: _____
Duly authorised

By: _____
Duly authorised

[11] Consider disapplying Conditions 7(d)(iii) and (vii) (1) in the case of a Swiss franc denominated issue listed only on the SIX Swiss Exchange so that only a Paying Agent in Switzerland need be appointed and (2) where other circumstances allow only one Paying Agent or require an additional Paying Agent.

**STATUTORY AGENT OF THE REPUBLIC**

**Österreichische Bundesfinanzierungsagentur**
Seilerstätte 24
A-1015 Vienna

**FISCAL AGENT AND CALCULATION AGENT**

**Citibank, N.A., London Branch**
13th Floor, Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB

**[REGISTRAR, TRANSFER AGENT AND EXCHANGE AGENT**

**Citibank, N.A., London Branch**
13th Floor, Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB][12]

**PAYING AGENT [AND TRANSFER AGENT][12]**

**BNP Paribas Securities Services, Luxembourg Branch**
33, rue de Gasperich
Howald-Hesperange
L-2085 Luxembourg

**[LISTING AGENT]**

**BNP Paribas Securities Services, Luxembourg Branch**
33, rue de Gasperich
Howald-Hesperange
L-2085 Luxembourg[13]

[12] Retain for a Registered Series. Delete for a Bearer Series.

[13] Retain for a Series listed on the Luxembourg Stock Exchange.

**STATUTORY AGENT OF THE REPUBLIC**

**Österreichische Bundesfinanzierungsagentur**
Seilerstätte 24
A-1015 Vienna

**ARRANGER**

**HSBC Bank plc**
8 Canada Square
London E14 5HQ

**FISCAL AGENT**

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**PAYING AGENT, REGISTRAR, TRANSFER AGENT AND EXCHANGE AGENT**

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**PAYING AGENT**

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*as to Austrian law*

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Singerstrasse 17
A-1010 Vienna

*To the Dealers as to*
*English and United States law*

**Linklaters LLP**
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