

This document constitutes the base prospectus for purposes of Art. 5(4) of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended (including by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010) (the "**Prospectus Directive**") of Otto (GmbH & Co KG) relating to issues of non-equity securities ("**Non-Equity Securities**") within the meaning of Art. 22 No. 6(4) of Commission Regulation (EC) No. 809/2004 of 29 April 2004, as amended (the "**Prospectus Regulation**") under the Programme (as defined below) (the "**Base Prospectus**").

**otto group**

## **OTTO (GMBH & CO KG)**

(Hamburg, Federal Republic of Germany)

### **€ 2,000,000,000 Debt Issuance Programme**

Under this Base Prospectus, Otto (GmbH & Co KG) (the "**Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue unsubordinated bearer notes in a minimum denomination of € 1,000 per Note (together the "**Notes**"). The aggregate principal amount of Notes issued under the Debt Issuance Programme described in this Base Prospectus (the "**Programme**") outstanding will not at any time exceed € 2,000,000,000 (or the equivalent in other currencies). The principal amount of the Notes, the issue currency, the interest payable in respect of the Notes, the issue price, the maturity and all other specific terms of the Notes which are applicable to the particular Series and, if applicable, Tranche of Notes (each term as defined below, see "General description of the Programme") will be set out in the document containing the final terms (the "**Final Terms**") within the meaning of Art. 26(5) of the Prospectus Regulation.

The Commission de Surveillance du Secteur Financier (the "**CSSF**") of the Grand Duchy of Luxembourg in its capacity as competent authority (the "**Competent Authority**") under the Prospectus Directive has approved this Base Prospectus as a base prospectus within the meaning of Art. 5(4) of the Prospectus Directive pursuant to article 7 of the Luxembourg act relating to prospectuses for securities (*loi relative aux prospectus pour valeurs mobilières*) dated 10 July 2005, as amended, which implements the Prospectus Directive into Luxembourg law (the "**Luxembourg Prospectus Law**"). By approving this Base Prospectus, the CSSF gives no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer and it does not act as competent authority for the approval of this Base Prospectus to the extent Notes are to be admitted to trading on the Euro MTF operated by the Luxembourg Stock Exchange.

Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme for the period of twelve months from the date of the publication of this Base Prospectus to be listed on the official list of the Luxembourg Stock Exchange and to be admitted to trading on the Euro MTF operated by the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's Euro MTF is a multilateral trading facility for the purposes of the Investment Services Directive 2004/39/EC and, therefore, not an EU-regulated market. Notes issued under the Programme may also not be listed at all.

The Notes may be offered to the public in the Grand Duchy of Luxembourg and/or the Republic of Austria and/or the Federal Republic of Germany and/or The Netherlands into which the Prospectus has been passported in accordance with the respective legal requirements. The Issuer has requested the CSSF in its capacity as Competent Authority to provide the competent authorities in Germany, Austria and The Netherlands with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Luxembourg Prospectus Law and may request the CSSF in its capacity as Competent Authority to provide competent authorities in host Member States within the European Economic Area with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Luxembourg Prospectus Law (the "**Notification**"). In the latter case a supplement to the Base Prospectus will be prepared.

Each Tranche of Notes will be represented on issue by a temporary global note (each a "**Temporary Global Note**"). Interests in a Temporary Global Note will be exchangeable, in whole or in part, for interest in a permanent global note (each a "**Permanent Global Note**") on or after the date 40 days after the later of the commencement of the offering and the relevant issue date (the "**Exchange Date**"), upon certification as to non-U.S. beneficial ownership. The Notes are intended to be held in a manner which would allow Eurosystem eligibility. Therefore, the Global Notes will be deposited on the issue date either (i) in classical global note form with Clearstream Banking AG, Frankfurt am Main ("**Clearstream, Frankfurt**") or (ii) in new global note form with a common safekeeper for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and/or any other agreed clearing system. It 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 applicable from time to time.

This Base Prospectus will be published in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). This Base Prospectus is valid for a period of twelve months after its approval.

Arranger

#### **Deutsche Bank**

Dealers

**BAYERNLB**

**BERENBERG**

**BNP PARIBAS**

**COMMERZBANK**

**DEUTSCHE BANK**

**DZ BANK AG**

## RESPONSIBILITY STATEMENT

Otto (GmbH & Co KG) (the "**Issuer**" and, together with its subsidiaries and affiliates taken as a whole, the "**Otto Group**" or the "**Group**"), with its registered office in Hamburg, Germany accepts responsibility for the information contained in this Base Prospectus and for the information which will be contained in the Final Terms (as defined herein).

The Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus for which it is responsible is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "Documents Incorporated by Reference" below).

## NOTICE

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

The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, the Arranger and the Dealers to inform themselves about and to observe any such restriction. The Notes have not been or will they be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States. The Notes will be issued in bearer form and are subject to certain U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons. The term "U.S. person" has the meaning ascribed to it in the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") and regulations thereunder. For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see "Subscription and Sale".

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

The Arranger and the Dealers have not separately verified the information contained in this Base Prospectus. Neither the Arranger nor any of the Dealers makes any representation, expressly or implied, or accepts any responsibility, with respect to the accuracy or completeness of any information contained in this Base Prospectus. Neither this Base Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Arranger or the Dealers undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

This Base Prospectus may only be used for the purpose for which it has been published.

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Base Prospectus. This Base Prospectus identifies in general terms certain information that a prospective investor should consider prior to making an investment in the Notes. However, a prospective investor should conduct its own thorough analysis (including its own accounting, legal and tax analysis) prior to deciding whether to invest in any Notes issued under the Programme as any evaluation of the suitability for an investor of an investment in Notes issued under the Programme depends upon a prospective investor's particular

financial and other circumstances, as well as on specific terms of the relevant Notes and, if it does not have experience in financial, business and investment matters sufficient to permit it to make such a determination, it should consult its financial adviser prior to deciding to make an investment on the suitability of any Notes.

In connection with the issue of any Tranche (as defined below), the Dealer or Dealers (if any) named as the stabilising manager(s) (the "**Stabilising Manager(s)**") (or a person acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms 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 a person acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 calendar days after the issue date of the relevant Tranche and 60 calendar 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 a person acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to "CHF" are to the currency of Switzerland, references to "EUR", "euro" and "€" 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 by the Treaty on European Union, references to "CNY" are to the currency of the People's Republic of China, references to "GBP" are to the currency of the United Kingdom and references to "US\$", "USD" and "U.S. dollars" are to the currency of the United States of America.

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## SUMMARY

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

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

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

Element	Section A – Introduction and warnings	
A.1	Warnings	<p><b>Warning that:</b></p> <ul style="list-style-type: none"> <li>• this Summary should be read as an introduction to the Base Prospectus;</li> <li>• any decision to invest in the Notes should be based on consideration of the Base Prospectus as a whole by the investor;</li> <li>• where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Base Prospectus, before the legal proceedings are initiated; and</li> <li>• civil liability attaches only to the Issuer who has tabled the Summary including any translation thereof, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes.</li> </ul>
A.2	Consent to the use of the Base Prospectus	<p>Each of [●] [and/or each of [●] as financial intermediary] subsequently reselling or finally placing the Notes in the Grand Duchy of Luxembourg [[,][and] the Federal Republic of Germany] [[,][and] The Netherlands] [[,][and] the Republic of Austria] is entitled to use the Base Prospectus during the offer period for the subsequent resale or final placement of the Notes from [●] to [●], provided however, that the Base Prospectus is still valid in accordance with Article 11(2) of the Luxembourg act relating to prospectuses for securities (<i>Loi relative aux prospectus pour valeurs mobilières</i>) which implements Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (as amended by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010).</p> <p>Such Dealer(s) and/or financial intermediary/intermediaries may use the prospectus for subsequent resale or final placement in the Grand Duchy of Luxembourg, the Federal Republic of Germany, The Netherlands and the Republic of Austria, into which the Base Prospectus has been passported in accordance with the respective legal requirements.</p> <p>The Base Prospectus may only be delivered to potential investors together with all supplements published before such delivery. Any supplement to the Base Prospectus is available for viewing in electronic form on the website of the Luxembourg Stock Exchange (<a href="http://www.bourse.lu">www.bourse.lu</a>).</p> <p>When using the Base Prospectus, each Dealer and/or relevant further financial intermediary must make certain that it complies with all applicable laws and regulations in force in the respective jurisdictions.</p>

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

Any new information with respect to financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms will be published on the internet page [www.ottogroup.com](http://www.ottogroup.com).

**Element Section B – Otto (GmbH & Co KG)**

<b>B.1</b>	Legal and commercial name	Otto (GmbH & Co KG) (the " <b>Issuer</b> " and, together with its consolidated subsidiaries, the " <b>Otto Group</b> ").																														
<b>B.2</b>	Domicile / Legal form / Legislation / Country of incorporation	The Issuer is a limited partnership whose general partner is a limited liability company ( <i>Gesellschaft mit beschränkter Haftung &amp; Compagnie Kommanditgesellschaft (GmbH &amp; Co KG)</i> ). The Issuer is incorporated and operates under the laws of the Federal Republic of Germany. The address of the head office is Werner-Otto-Straße 1-7, 22179 Hamburg, Germany.																														
<b>B.4b</b>	Known trends affecting the Issuer and the industries in which it operates	The Otto Group operates in a competitive environment. Intensive competition in the retail sector could adversely affect the financial condition and results of operations of the Issuer. Especially within the e-commerce sector, competition intensified over the last years due to low entry barriers and the fast development of the online market.																														
<b>B.5</b>	Description of the group and the Issuer's position within the group	The Otto Group is a globally active group of retailers and retail-related service providers whose activities are divided into three business segments: Multichannel Retail, Financial Services and Services. The Issuer is the operating company for OTTO, the Otto Group's historical core company, and also acts as holding company for the Otto Group.																														
<b>B.9</b>	Profit forecast or estimate	Not applicable. No profit forecast or estimate are made.																														
<b>B.10</b>	Qualifications in the audit report	Not applicable. The audit report does not include any qualifications.																														
<b>B.12</b>	Selected historical key financial information	<table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="text-align: right; border-bottom: 1px solid black;"><b>Financial Year 1 March 2015 until 29 February 2016 (audited)</b></th> <th style="text-align: right; border-bottom: 1px solid black;"><b>Financial Year 1 March 2014 until 28 February 2015 (audited)<sup>1</sup></b></th> </tr> <tr> <th></th> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;"><b>in EUR million</b></th> </tr> </thead> <tbody> <tr> <td>Revenue.....</td> <td style="text-align: right;">12,104</td> <td style="text-align: right;">11,485</td> </tr> <tr> <td>EBITDA.....</td> <td style="text-align: right;">639</td> <td style="text-align: right;">562</td> </tr> <tr> <td>EBIT.....</td> <td style="text-align: right;">259</td> <td style="text-align: right;">248</td> </tr> <tr> <td>Loss for the year.....</td> <td style="text-align: right;">-190</td> <td style="text-align: right;">-196</td> </tr> <tr> <td>Free cash flow.....</td> <td style="text-align: right;">367</td> <td style="text-align: right;">416</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;"><b>29 February 2016</b></td> <td style="text-align: right; border-top: 1px solid black;"><b>28 February 2015</b></td> </tr> <tr> <td>Equity.....</td> <td style="text-align: right;">1,530</td> <td style="text-align: right;">1,620</td> </tr> <tr> <td>Total assets.....</td> <td style="text-align: right;">7,860</td> <td style="text-align: right;">8,188</td> </tr> </tbody> </table>		<b>Financial Year 1 March 2015 until 29 February 2016 (audited)</b>	<b>Financial Year 1 March 2014 until 28 February 2015 (audited)<sup>1</sup></b>		<b>in EUR million</b>		Revenue.....	12,104	11,485	EBITDA.....	639	562	EBIT.....	259	248	Loss for the year.....	-190	-196	Free cash flow.....	367	416		<b>29 February 2016</b>	<b>28 February 2015</b>	Equity.....	1,530	1,620	Total assets.....	7,860	8,188
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<sup>1</sup> The financial information for the financial year 2014/15 included as comparative information in the audited consolidated financial statements for the financial year 2015/16 has been adjusted retrospectively to reflect certain portfolio measures. Note 5(c) of the Otto Group's Annual Report 2015/16 provides a detailed breakdown of these adjustments.

Net financial debt.....	1,948	2,168
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**Trend information**

There has been no material adverse change in the prospects of the Issuer since 29 February 2016.

**Significant change in the financial and trading position**

Not applicable. There has been no significant change in the financial or trading position of the Issuer or the Otto Group since 29 February 2016.

<b>B.13</b>	Recent developments	Not applicable. There have been no recent events which are to a material extent relevant to the evaluation of the Issuer's solvency.
<b>B.14.</b>	Statement of dependency upon other entities within the group	Please see Element B.5 Not applicable. The Issuer is not dependent upon other entities within the Group.
<b>B.15</b>	Principal activities	The Otto Group's activities are divided into three business segments, namely (i) Multichannel Retail, (ii) Financial Services and (iii) Services. The Multichannel Retail segment comprises the Otto Group's domestic and international companies that offer their products via the three distribution channels e-commerce, catalogue business and over-the-counter retail. The Financial Services segment comprises the Otto Group's offer of financial services such as debt collection, receivables management and innovative retail-related financial services. The Services segment comprises the Otto Group's logistics and sourcing companies.
<b>B.16</b>	Controlling interest over the Issuer	Limited Partners ( <i>Kommanditisten</i> ) of the Issuer are OTTO Aktiengesellschaft für Beteiligungen, GSV Aktiengesellschaft für Beteiligungen and Kommanditgesellschaft AURUM Beteiligungs- und Verwaltungs-G.m.b.H. & Co. These companies directly hold 100% of the limited partnership interests. Beneficiaries of the Issuer are the Otto family and entities controlled by family members, who together hold an interest of more than 98%.
<b>B.17</b>	Credit ratings of the Issuer or its debt securities	Not applicable. The Issuer has not received any credit rating.  [The Notes are rated [●] by [Moody's Investors Service, Inc ("Moody's")] [Standard & Poor's Financial Services LLC ("Standard & Poor's")] [A.M. Best ("A.M. Best")] [●].] <sup>2, 3</sup>  [Not applicable. The Notes are not rated.]

**Element Section C – The Notes**

<b>C.1</b>	Class and type of the Notes / security identification number	<b>Class</b>  [Fixed rate Notes]  [Floating rate Notes]
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<sup>2</sup> [Moody's, Standard & Poor's and A.M. Best are established in the European Union and registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended from time to time, (the "CRA Regulation"). A list of credit rating agencies registered under the CRA Regulation is available for viewing at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>.]

<sup>3</sup> [A credit rating assesses the creditworthiness of an entity and informs an investor therefore about the probability of the entity being able to redeem invested capital. It is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.]

		<b>Security Identification Number(s)</b>
		[Common Code]
		[WKN]
		[ISIN]
C.2	Currency	The Notes are issued in [ <i>specified currency</i> ].
C.5	Restrictions on free transferability	Not applicable. The Notes are freely transferable.
C.8	Rights attached to the Notes (including ranking of the Notes and limitations to those rights)	<p>The Notes can be redeemed in whole or in part at their specified denomination on the maturity date.</p> <p>The Notes can be redeemed prior to their stated maturity at the option of the holders of the Notes (the "<b>Noteholders</b>") upon the occurrence of an event of default [and/or at the option of the Noteholders on the redemption date(s) at its specified denomination together with accrued interest].</p> <p><b>Early redemption in an event of default:</b></p> <p>The Notes provide for events of default entitling Noteholders to demand immediate redemption of Notes at their specified denomination plus accrued interest. The Noteholders are, <i>inter alia</i>, entitled to demand immediate redemption if the Issuer fails to fulfil payment obligations arising from any other capital market indebtedness, provided the amount of such payment obligation exceeds the amount of EUR 10,000,000.</p> <p><b>[Early redemption at the option of the Noteholder at the specified denomination together with accrued interest:</b></p> <p>The Notes can be redeemed at the option of the Noteholder upon giving notice within the notice period on a redemption date at the specified denomination together with accrued interest.]</p> <p><b>[Resolutions of Noteholders:</b></p> <p>In accordance with the German Act on Debt Securities of 2009 (<i>Schuldverschreibungsgesetz – "SchVG"</i>) the Notes contain provisions pursuant to which the Noteholders consent by resolution to amendments of the terms and conditions of the Notes (upon the Issuer's decision to amend the terms and conditions of the Notes) and pursuant to which the Noteholders decide upon certain other matters regarding the Notes. Resolutions of Noteholders properly adopted, will be exclusively passed by vote taken without a meeting and are binding upon all Noteholders. Resolutions providing for material amendments to the terms and conditions of the Notes require a majority of not less than 75% of the votes cast. Resolutions regarding other amendments are passed by a simple majority of the votes cast.]</p> <p><b>Negative pledge</b></p> <p>The terms and conditions of the Notes contain a negative pledge provision of the Issuer.</p> <p><b>Status of the Notes</b></p> <p>The Notes constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer ranking <i>pari passu</i> among themselves and <i>pari passu</i> with all other unsecured and unsubordinated obligations of the Issuer, present or future, except for any obligations preferred by mandatory provisions of law.</p> <p>The Notes can be redeemed prior to their stated maturity at the option of the Issuer for tax reasons and/or following a change of control [and/or on the redemption date(s) at its specified denomination together with accrued interest] <b>[in the case of fixed rate Notes:</b> and/or on a redemption date at the early redemption amount, or, if higher, at the present value together with accrued interest].</p> <p><b>Early redemption for tax reasons:</b></p>



Early Redemption of the Notes for tax reasons will be permitted, if as a result of any change in, or amendment to, the laws (or any rules or regulations thereunder) of the Federal Republic of Germany or any political subdivision or any authority of or in the Federal Republic of Germany having power to tax, or as a result of any change in, or amendment to, the official interpretation or application of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority the Issuer has or will become obliged to pay additional amounts.

**Early redemption following a change of control:**

Early redemption of the Notes following a change of control will be permitted, if any person or persons, who on the issue date were not partners of the Issuer or shareholders of its general partner, acting in concert (as defined in § 22 (2) of the German Securities Trading Act (*Wertpapierhandelsgesetz - WpHG*) or any person or persons acting on behalf of any such person(s), at any time directly or indirectly acquire(s) (i) more than 50% of the limited liability capital (*Kommanditkapital*) of the Issuer or more than 50% of the share capital (*Stammkapital*) of its general partner or (ii) such number of partnership interests (*Anteile am Kommanditkapital*) of the Issuer or shares in the capital (*Anteile am Stammkapital*) of its general partner carrying more than 50% of the voting rights exercisable at respective general meetings of the Issuer or its general partner.

**[Early redemption at the option of the Issuer at the specified denomination together with accrued interest in the case of fixed rate Notes:**

The Notes can be redeemed in whole but not in part at the option of the Issuer at any time upon giving notice within the specified notice period to the Noteholders at the specified denomination together with accrued interest on the redemption date specified in the notice.]

**[Early redemption at the option of the Issuer at the specified denomination together with accrued interest in the case of floating rate Notes:**

The Notes can be redeemed in whole but not in part at the option of the Issuer on any interest payment date upon giving notice within the specified notice period to the Noteholders at the specified denomination together with accrued interest on the redemption date specified in the notice.]

**[Early redemption at the option of the Issuer at the specified denomination, or, if higher, the present value, in the case of fixed rate Notes:**

The Notes can be redeemed in whole but not in part at the option of the Issuer at any time upon giving notice within the specified notice period on a redemption date specified in the notice at the specified denomination, or, if higher, at the present value of a Note together with accrued interest.]

C.9 Interest rate

Please see Element C.8.

[[●] per cent. per annum in the case of fixed rate Notes.]

		[In the case of floating rate Notes [EURIBOR][LIBOR for the specified currency] [[plus][minus] the margin of [●] per cent. per annum] for the specified interest period.]
		[In the case of floating rate Notes with a minimum rate of interest, the following applies: If the rate of interest in respect of any interest period determined in accordance with the above provisions is less than a specified minimum rate of interest, the rate of interest for such interest period shall be the specified minimum rate of interest.]
		[In the case of floating rate Notes with a maximum rate of interest, the following applies: If the rate of interest in respect of any interest period determined in accordance with the above provisions is greater than a specified maximum rate of interest, the rate of Interest for such Interest Period shall be the specified maximum rate of interest.]
	Interest commencement date	[●]
	Interest payment dates	[●]
	Underlying on which interest rate is based	[Not applicable in the case of fixed rate Notes. The interest rate is not based on an underlying.] [[EURIBOR][LIBOR] for the specified currency.]
	Maturity date including repayment procedures	[[●] in the case of fixed rate Notes.]  [In the case of floating rate Notes [[●] in case of a specified maturity date] [in case of a redemption month [the interest payment date falling in [the redemption month and year]].]
	Indication of yield	Payment of principal and interest in respect of Notes shall be made to the Clearing System or to its order for credit to the relevant account holders of the Clearing System. [[●] per cent. per annum.] [Not applicable in the case of floating rate Notes. No yield is calculated.]
	Amortisation yield	Not applicable.
	Name of joint representative of the Noteholders	[Not applicable. No joint representative has been designated in the terms and conditions of the Notes.] [●]
<b>C.10</b>	Explanation how the value of the investment is affected in the case the Notes have a derivative component in the interest payment	Please see Element C.9 Not applicable. The interest payment has no derivative component.
<b>C.11</b>	Admission to trading on a regulated market or equivalent market	Not applicable. The Notes will be admitted to trading on the [●], which is not an EU-regulated market in the meaning of Directive 2004/39/EC.

**Element Section D – Risks**

**D.2** Key information on the key risks that are specific to the Issuer

Intensive competition in the retail sector could adversely impact the financial condition and results of operations of the Issuer.

A significant portion of sales is exposed to the risk of constantly changing customer tastes and fashion trends.

The Otto Group has a substantial volume of trade receivables and is exposed to the risk of non-payment under these receivables. The payment behavior of customers depends on their

creditworthiness and on macroeconomic conditions.

The Otto Group has global sourcing and selling activities and a number of subsidiaries which are not located in the Euro zone. As a result, the Otto Group is affected by fluctuations in currency exchange rates.

The Otto Group's business success depends considerably on the quality of its employees. A loss of important employees could have a negative impact on the Otto Group's financial condition and results of operations.

The Issuer has implemented a highly sophisticated logistics network that is vulnerable to external shocks which could have an adverse impact on the Otto Group's financial condition and results of operations.

The Otto Group makes intensive use of information technology in critical business processes. The materialisation of IT risks could result in substantial reputational damage or market disadvantages, to turnover losses as well as affect the Otto Group's operating business and its customer relations.

The Otto Group aims to anticipate trends in the e-commerce sector and allocates significant amounts of capital to areas where it has identified growth potential. Strategic errors could have a negative impact on the Otto Group's financial condition and results of operations.

The Otto Group regularly explores opportunities by way of acquisitions and market entries. Each acquisition bears substantial risks as the assumptions for the purchase price determination regarding profitability and synergy potentials may not prove correct.

The Otto Group is exposed to a number of financial risks e.g. counterparty credit risks, liquidity risks, interest rate risks and market risks.

The Issuer believes that the tax returns of the Issuer and its subsidiaries are prepared in accordance with the applicable tax rules. Nevertheless, potential additional tax claims could adversely affect the Otto Group's financial condition and results of operations.

The Otto Group seeks to cover foreseeable risks through insurance coverage. Such insurance cover, however, may not fully cover the risks to which the companies are exposed.

The Otto Group's retail companies depend on external suppliers, which might become insolvent, thus having a negative impact on the supply chain.

The Otto Group is subject to risks associated with the international procurement of goods such as economic, political or social instability in the regions in which the Otto Group sources its goods.

The Otto Group is exposed to the risk of a potential rise in procurement prices due to higher factor costs in the producing countries.

If independent manufacturers of the Otto Group do not comply with relevant labour law provisions or are in breach of environmental or social international standards, this could be detrimental to the Otto Group's reputation and consequently have a negative impact on the Otto Group's financial condition and results of operations.

The retail companies of the 3SI Group ("**3SI Commerce**") have experienced declines in revenues and significant losses over a number of years. 3SI Commerce was the main driver for the Otto Group's loss after taxes for the financial year 2015/16. The

intended sale of 3SI Commerce was announced in March 2016. 3SI Commerce is therefore accounted for as "discontinued operations" in the Otto Group's financial statements. 3SI Commerce is expected to still weigh on the profitability of the Otto Group in financial year 2016/17. Should the burden on profitability from the restructuring and sale of the 3SI Commerce operations exceed expectations, or should the intended disposals not be completed as planned, this could adversely affect the Otto Group's financial condition and results of operations.

The market environment in Russia is challenging due to economic and political uncertainty and exchange rate risks. The Otto Group has decided to remain committed to the Russian market and achieved a return to profitability at the operating level. Nevertheless, given that no significant change in outlook for the Russian economy is expected in the short run, a further decline in revenues in Russia cannot be excluded.

In addition, political risks such as capital controls or the expropriation of foreign-owned companies, cannot be excluded.

The Otto Group invests steadily in innovative business models and the logistics and IT infrastructure. Should the execution of business plans and infrastructure investments not be successful, or should the benefits that are expected from these investments not materialise, this could adversely affect the Otto Group's financial condition and results of operations.

Element	Section D – Risks
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D.3	Key information on the key risks that are specific to the securities
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**Notes may not be a suitable Investment**

Each potential investor in Notes must determine the suitability of that investment in light of its own circumstances.

**Potential Conflicts of Interest**

All or some of the Dealers and their affiliates have engaged, and/or may in the future engage, in investment banking, commercial banking and other financial advisory and commercial dealings with the Issuer and its affiliates and in relation to securities issued by any entity of the Group. Each of the Issuer and the Dealers may from time to time be engaged in transactions involving an index or related derivatives which may affect the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

**Liquidity risk**

There can be no assurance that a liquid secondary market for the Notes will develop. In an illiquid market, an investor is subject to the risk that he will not be able to sell his Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by country specific reasons.

**Risks related to the structure of a particular issue of the Notes**

A Noteholder is exposed to the risk that due to early redemption his investment will have a lower than expected yield.

The market values of Notes issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates.

If the Issuer's financial condition were to deteriorate, the relevant Noteholders could suffer direct and materially adverse consequences and if the Issuer was liquidated, the relevant Noteholders could lose their entire investment.

Noteholders should be aware that they may only declare their Notes due and payable in the case of certain events of default by the Issuer as set forth in the Terms and Conditions including,

inter alia, a non-payment on the Notes or a payment default (*Verzug*) under a Capital Markets Indebtedness with a minimum amount of EUR 10,000,000.

Further, the Terms and Conditions of the Notes provide that, with regard to certain events of default, receipt of termination notices from Noteholders of a minimum of 10% in principal amount of the Notes then outstanding is required for the effectiveness of a termination notice by a Noteholder. Therefore, a particular Noteholder will only be able to claim the repayment of its Notes from the Issuer if and when such quorum is met. Noteholders may decide that a request of other Noteholders holding at least one-tenth in principal amount of Notes then outstanding to declare their Notes due in the events specified in § 8(a)(ii) and/or (iii) of the Terms and Conditions shall not be valid.

Since the Final Terms provide that the terms and conditions of the Notes may be amended by the Issuer with consent of the Noteholders by way of a majority resolution by a vote not requiring a physical meeting (*Abstimmung ohne Versammlung*), a Noteholder is subject to the risk of being outvoted by a binding majority resolution of the Noteholders.

Since the terms and conditions of the Notes provide for the appointment of a Noteholders' joint representative, a Noteholder may be deprived of its individual right to pursue and enforce a part or all of its rights under the terms and conditions of the Notes against the Issuer.

#### **Market risks**

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

An active trading market for the Notes may not develop.

A Noteholder of Notes denominated in a foreign currency is exposed to the risk that changes in currency exchange rates may affect the yield of such Notes.

[Fixed rate Notes

A Noteholder of fixed rate Notes is exposed to the risk that the price of such Notes falls as a result of changes in the market yield.]

[Floating rate Notes

A Noteholder of floating rate Notes is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the profitability of floating rate Notes in advance.]

[Floating rate Notes are volatile investments. If they are structured to include maximum or minimum interest rate their market values may be even more volatile than those for securities that do not include those features. [If the Final Terms provide that an interest rate is subject to a cap, an investor's ability to participate in any change in the value of the relevant floating rate over the life of the Notes will be limited.]]

The market value of the Notes could decrease if the creditworthiness of the Issuer and/or the Group deteriorates or the market participants' estimation of the creditworthiness of corporate debtors in general or of debtors operating in the same business as the Issuer and/or the Group adversely changes.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Therefore, each potential investor should consult its legal advisers.

#### **Special investment risks**

An actual yield on the Notes may be reduced from the stated yield by transaction costs.

If a loan is used to finance the acquisition of the Notes and the Notes subsequently go into default, or if the trading price diminishes significantly, the Noteholder not only has to face a potential loss on its investment, but it will also have to repay the loan and pay interest thereon.

Because the Global Notes are held by or on behalf of a Clearing System, investors will have to rely on their procedures for transfer, payment and communication with the Issuer.

Asset-backed securities transactions are exempted under the negative pledge of the Issuer. Accordingly, assets of the Issuer and its material subsidiaries may be used as security in future Asset-backed securities transactions of any type, without equal and rateable security being granted to the Noteholders. Any such transactions will reduce the amount recoverable by the Noteholders upon winding-up or insolvency of the Issuer.

[If the Notes are denominated in Renminbi there are significant restrictions on the remittance of Renminbi into and outside the People's Republic of China ("PRC") because the Renminbi is not freely convertible.

There is only limited availability of Renminbi outside China, which may affect the liquidity of the Notes and the Issuer's ability to source Renminbi outside China to service the Notes.

The value of the Renminbi against the U.S. dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors.

The PRC government has gradually liberalised the regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility.

All payments in respect of the Notes will be made solely in the manner specified in the notes by transfer to a Renminbi bank account maintained in Hong Kong.]

The EU respectively (certain) EU Member States might impose a Financial Transaction Tax and the implications are not fully foreseeable at the moment.

An effective yield on the Notes may be diminished by the tax impact on an investment in the Notes.

The EU Savings Directive (if and as applicable) could negatively affect investors.

Pursuant to the foreign account tax compliance provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010 – FATCA –, the Issuer or any other person in the payment chain may be required to withhold tax at a rate of 30 per cent. on all, or a portion of, payments made after 31 December 2018 in respect of (i) securities issued or materially modified on or after the date that is six months after the date on which the final regulations applicable to "foreign passthru payments" are filed in the Federal Register or (ii) securities treated as equity for U.S. federal tax purposes, whenever issued. The Issuer's obligations under the Notes, however, are discharged once it has paid to, or to the order of, the relevant Clearing System and the Issuer has therefore no responsibility for any amount thereafter transmitted through hands of the relevant Clearing System and custodians or intermediaries.

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Element	Section E – Offer of the Notes
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E.2b	Reasons for the offer and use of
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	The net proceeds of the issuance of Notes under the
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	proceeds when different from making profit and/or hedging certain risks	Programme will be used for general corporate purposes of the Otto Group. [●]
<b>E.3</b>	A description of the terms and conditions of the offer	[insert aggregate principal amount] [insert issue price] [insert minimum subscription size] [insert type of distribution] [insert start and end of marketing or subscription period] [insert any underwriting or distribution by dealers or distributors] [insert other or further conditions to which the offer is subject]
<b>E.4</b>	Any interest that is material to the issue/offer including conflicting interests	[●]
<b>E.7</b>	Estimated expenses charged to the investor by the issuer or the offeror	[●]

## GERMAN TRANSLATION OF THE SUMMARY

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

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

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

Punkt	Abschnitt A – Einleitung und Warnhinweise
A.1	<p>Warnhinweise</p> <p><b>Warnhinweis, dass:</b></p> <ul style="list-style-type: none"> <li>• die Zusammenfassung als Einleitung zum Basisprospekt verstanden werden sollte;</li> <li>• sich der Anleger bei jeder Entscheidung in die Schuldverschreibungen zu investieren, auf den Basisprospekt als Ganzen stützen sollte;</li> <li>• ein Anleger, der wegen der in dem Basisprospekt enthaltenen Angaben Klage einreichen will, nach den nationalen Rechtsvorschriften seines Mitgliedstaats möglicherweise für die Übersetzung des Basisprospekts aufkommen muss, bevor das Verfahren eingeleitet werden kann; und</li> <li>• zivilrechtlich nur die Emittentin haftet, die die Zusammenfassung samt etwaiger Übersetzungen vorgelegt und übermittelt hat, und dies auch nur für den Fall, dass die Zusammenfassung verglichen mit den anderen Teilen des Basisprospekts irreführend, unrichtig oder inkohärent ist oder verglichen mit den anderen Teilen des Basisprospekts wesentliche Angaben, die in Bezug auf Anlagen in die betreffenden Wertpapiere für die Anleger eine Entscheidungshilfe darstellen, vermissen lassen.</li> </ul>
A.2	<p>Zustimmung zur Verwendung des Basisprospekts</p> <p>Jeder von [●] [und/oder jeder [●] als Finanzintermediär], der die emittierten Schuldverschreibungen nachfolgend im Großherzogtum Luxemburg [,][und] der Bundesrepublik Deutschland] [,][und] den Niederlanden] [,][und] der Republik Österreich] weiter verkauft oder endgültig platziert, ist berechtigt, den Basisprospekt während der Angebotsperiode für den späteren Weiterverkauf oder die endgültige Platzierung vom [●] bis [●] zu verwenden, vorausgesetzt jedoch, dass der Basisprospekt in Übereinstimmung mit Artikel 11(2) des Luxemburger Wertpapierprospektgesetzes (<i>Loi relative aux prospectus pour valeurs mobilières</i>), welches die Richtlinie 2003/71/EG des Europäischen Parlaments und des Rates vom 4. November 2003 (geändert durch Richtlinie 2010/73/EU des Europäischen Parlaments und des Rates vom 24. November 2010) umsetzt, noch gültig ist.</p> <p>Die genannten Dealer und/oder Finanzintermediäre dürfen den Prospekt für eine spätere Weiterveräußerung oder endgültige Platzierung im Großherzogtum Luxemburg, der Bundesrepublik Deutschland, den Niederlanden, und der Republik Österreich, in welche der Basisprospekt in Übereinstimmung mit bestehenden rechtlichen Bestimmungen notifiziert wurde.</p> <p>Der Basisprospekt darf potentiellen Investoren nur zusammen mit</p>



sämtlichen bis zur Übergabe veröffentlichten Nachträgen übergeben werden. Jeder Nachtrag zum Basisprospekt kann in elektronischer Form auf der Internetseite der Wertpapierbörse Luxemburg ([www.bourse.lu](http://www.bourse.lu)) eingesehen werden.

Bei der Nutzung des Basisprospektes hat jeder Platzeur und/oder jeweiliger weiterer Finanzintermediär sicherzustellen, dass er alle anwendbaren, in den jeweiligen Jurisdiktionen geltenden Gesetze und Rechtsvorschriften beachtet.

**Für den Fall, dass ein Platzeur und/oder weiterer Finanzintermediär ein Angebot macht, informiert dieser Platzeur und/oder weiterer Finanzintermediär die Anleger zum Zeitpunkt der Angebotsvorlage über die Angebotsbedingungen der Schuldverschreibungen.**

Alle neuen Informationen zu Finanzintermediären, die zum Zeitpunkt der Billigung des Basisprospektes oder der Hinterlegung der Endgültigen Bedingungen unbekannt waren, werden auf der Internetseite [www.ottogroup.com](http://www.ottogroup.com) veröffentlicht.

Punkt	Abschnitt B – Otto (GmbH & Co KG)																
B.1	Gesetzliche und kommerzielle Bezeichnung	Otto (GmbH & Co KG) (die " <b>Emittentin</b> " und, zusammen mit ihren konsolidierten Tochtergesellschaften, die " <b>Otto Group</b> ").															
B.2	Sitz / Rechtsform / geltendes Recht/ Land der Gründung	Die Emittentin ist eine unter deutschem Recht operierende Kommanditgesellschaft, mit einer Gesellschaft mit beschränkter Haftung als Komplementärin (Gesellschaft mit beschränkter Haftung & Compagnie Kommanditgesellschaft (GmbH & Co KG)), nach dem Recht der Bundesrepublik Deutschland. Die Geschäftsadresse der Emittentin ist Werner-Otto-Straße 1-7, 22179 Hamburg, Bundesrepublik Deutschland.															
B.4b	Bereits bekannte Trends, die sich auf den Emittenten und die Branchen, in denen er tätig ist, auswirken	Die Otto Group agiert in einem wettbewerbsintensiven Marktumfeld. Der Konkurrenzdruck im Einzelhandel kann sich nachteilig auf die Finanz- und die Ertragslage der Emittentin auswirken. Insbesondere im E-Commerce hat sich der Wettbewerb aufgrund niedriger Eintrittsbarrieren und der schnellen Entwicklung des Onlinemarkts in den letzten Jahren verstärkt.															
B.5	Beschreibung der Otto Group und der Stellung der Emittentin innerhalb der Otto Group	Die Otto Group ist eine weltweit agierende Handels- und Dienstleistungsgruppe, deren Aktivitäten in drei Segmente gegliedert sind: Multichannel-Einzelhandel, Finanzdienstleistungen und Service. Die Emittentin ist operative Gesellschaft für die Einzelgesellschaft OTTO, die historische Kerngesellschaft der Otto Group, und zugleich Holdinggesellschaft der Otto Group.															
B.9	Gewinnprognosen oder -schätzungen	Nicht anwendbar. Es wird keine Gewinnprognose oder Gewinnschätzung veröffentlicht.															
B.10	Beschränkungen im Bestätigungsvermerk	Nicht anwendbar. Der Bestätigungsvermerk enthält keine Beschränkungen.															
B.12	Ausgewählte wesentliche historische Finanzinformationen	<table border="1"> <thead> <tr> <th></th> <th>Geschäftsjahr 1. März 2015 bis 29. Februar 2016 (geprüft)</th> <th>Geschäftsjahr 1. März 2014 bis 28. Februar 2015 (geprüft)<sup>4</sup></th> </tr> <tr> <th colspan="3">EUR Millionen</th> </tr> </thead> <tbody> <tr> <td>Umsatzerlöse.....</td> <td>12.104</td> <td>11.485</td> </tr> <tr> <td>EBITDA.....</td> <td>639</td> <td>562</td> </tr> <tr> <td>EBIT.....</td> <td>259</td> <td>248</td> </tr> </tbody> </table>		Geschäftsjahr 1. März 2015 bis 29. Februar 2016 (geprüft)	Geschäftsjahr 1. März 2014 bis 28. Februar 2015 (geprüft) <sup>4</sup>	EUR Millionen			Umsatzerlöse.....	12.104	11.485	EBITDA.....	639	562	EBIT.....	259	248
	Geschäftsjahr 1. März 2015 bis 29. Februar 2016 (geprüft)	Geschäftsjahr 1. März 2014 bis 28. Februar 2015 (geprüft) <sup>4</sup>															
EUR Millionen																	
Umsatzerlöse.....	12.104	11.485															
EBITDA.....	639	562															
EBIT.....	259	248															

<sup>4</sup> Die Finanzinformationen für das Geschäftsjahr 2014/15, die als Vergleichswerte in dem geprüften konsolidierten Finanzbericht für das Geschäftsjahr 2015/16 enthalten sind, sind rückwirkend angepasst worden, um bestimmte Portfoliomaßnahmen widerzuspiegeln. Anhang 5(c) zum Geschäftsbericht 2015/16 der Otto Group stellt diese Anpassungen detailliert dar.

Jahresfehlbetrag.....	-190	-196
Free Cash flow .....	367	416
	<b>29. Februar 2016</b>	<b>28. Februar 2015</b>
Eigenkapital.....	1.530	1.620
Bilanzsumme.....	7.860	8.188
Netto- Finanzverschuldung.....	1.948	2.168

#### Ausblick

Die Aussichten der Emittentin haben sich seit dem 29. Februar 2016 nicht wesentlich verschlechtert.

#### Signifikante Veränderungen in der Finanz- bzw. Handelsposition

Nicht anwendbar. Seit dem 29. Februar 2016 hat es keine wesentliche Veränderung der Finanzlage oder Handelsposition der Emittentin oder der Otto Group gegeben.

<b>B.13</b>	Letzte Entwicklungen	Nicht anwendbar. Es gab keine wesentlichen aktuellen Entwicklungen, die für die Zahlungsfähigkeit der Emittentin in hohem Maße relevant wären.
<b>B.14.</b>	Angabe zur Abhängigkeit von anderen Unternehmen innerhalb der Gruppe	Bitte siehe Punkt B.5. Nicht anwendbar. Die Emittentin ist nicht von anderen Unternehmen innerhalb der Gruppe abhängig.
<b>B.15</b>	Haupttätigkeiten	Die Haupttätigkeiten der Otto Group sind in drei Segmente untergliedert, namentlich (i) Multichannel-Einzelhandel, (ii) Finanzdienstleistungen und (iii) Service. Das Segment Multichannel-Einzelhandel umfasst die in- und ausländischen Gesellschaften der Otto Group, die ihre Produkte über die drei Vertriebswege E-Commerce, Katalog und stationärer Einzelhandel anbieten. Das Segment Finanzdienstleistungen umfasst das Angebot an internationalen Finanzdienstleistungen der Otto Group wie Inkasso, Forderungsmanagement und innovative Finanzdienstleistungen für den Einzelhandel. Das Segment Service umfasst die Logistik- und Einkaufsgesellschaften der Otto Group.
<b>B.16</b>	Beteiligungen an der Emittentin / Beherrschungsverhältnisse	Kommanditisten der Emittentin sind OTTO Aktiengesellschaft für Beteiligungen, GSV Aktiengesellschaft für Beteiligungen und Kommanditgesellschaft AURUM Beteiligungs- und Verwaltungs-G.m.b.H. & Co. Diese Gesellschaften halten direkt 100% der Kommanditanteile. Begünstigte der Emittentin sind die Familie Otto und von ihr kontrollierte Einheiten, die zusammen einen Anteil von mehr als 98% halten.
<b>B.17</b>	Kreditratings der Emittentin oder der Schuldtitel	Nicht anwendbar. Die Emittentin hat keine Ratings erhalten.  [Die Schuldverschreibungen sind von [Moody's Investors Service, Inc ("Moody's")] [Standard & Poor's Financial Services LLC ("Standard & Poor's")] [A.M. Best ("A.M. Best")] [●] mit [●] bewertet.] <sup>5, 6</sup>

<sup>5</sup> [Moody's, Standard & Poor's und A.M. Best haben ihren Sitz in der Europäischen Union sind und nach der Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen, in der jeweils gültigen Fassung, (die "Ratingverordnung") registriert. Ein Verzeichnis der nach der Ratingverordnung registrierten Ratingagenturen kann auf der Website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> abgerufen werden.]

[Entfällt. Die Schuldverschreibungen haben kein Rating.]

<b>Punkt</b>	<b>Abschnitt C – Wertpapiere</b>	
<b>C.1</b>	Gattung und Art der Schuldverschreibungen / Wertpapierkennung	<b>Gattung</b>  <b>[Festverzinsliche Schuldverschreibungen]</b>  <b>[Variabel verzinsliche Schuldverschreibungen]</b>  <b>Internationale Wertpapierkennnummer(n)</b> [Common Code] [WKN] [ISIN]
<b>C.2</b>	Währung	Die Schuldverschreibungen sind in <i>[festgelegte Währung]</i> begeben.
<b>C.5</b>	Beschränkungen der freien Übertragbarkeit	Nicht anwendbar. Die Schuldverschreibungen sind frei übertragbar.
<b>C.8</b>	Rechte, die mit den Schuldverschreibungen verbunden sind (einschließlich Rang der Schuldverschreibungen und Beschränkungen dieser Rechte)	Die Schuldverschreibungen sind insgesamt oder teilweise zu ihrem festgelegten Nennbetrag an dem Endfälligkeitstag rückzahlbar.  Die Schuldverschreibungen sind vor Ablauf ihrer festgelegten Laufzeit nach Wahl der Gläubiger der Schuldverschreibungen (die " <b>Anleihegläubiger</b> ") bei Vorliegen eines Kündigungsgrundes [und/oder nach Wahl des Anleihegläubigers an einem Rückzahlungstag zum festgelegten Nennbetrag zuzüglich aufgelaufener Zinsen] rückzahlbar. <b>Vorzeitige Rückzahlung bei Vorliegen eines Kündigungsgrundes:</b> Die Schuldverschreibungen enthalten Kündigungsgründe, bei deren Vorliegen die Anleihegläubiger berechtigt sind, im Falle eines Kündigungsgrundes sofortige Rückzahlung zu ihrem Festgelegten Nennbetrag zuzüglich aufgelaufener Zinsen zu verlangen. Unter anderem sind die Anleihegläubiger zur Kündigung berechtigt, wenn die Emittentin eine Zahlungsverpflichtung aus anderen Kapitalmarktverbindlichkeiten nicht erfüllt, soweit der Betrag dieser Zahlungsverpflichtungen den Betrag von EUR 10.000.000 übersteigt. <b>[Vorzeitige Rückzahlung nach Wahl des Anleihegläubigers zum festgelegten Nennbetrag zuzüglich aufgelaufener Zinsen:</b> Die Schuldverschreibungen können nach Wahl des Anleihegläubigers an einem Rückzahlungstag durch Erklärung und unter Einhaltung einer Frist zum festgelegten Nennbetrag zuzüglich aufgelaufener Zinsen zurückgezahlt werden.] <b>[Beschlüsse der Anleihegläubiger:</b>

<sup>6</sup> [Ein Rating ist eine Einschätzung der Kreditwürdigkeit einer Rechtsperson und informiert den Anleger daher über die Wahrscheinlichkeit mit der die Rechtsperson in der Lage ist, angelegtes Kapital zurückzuzahlen. Es ist keine Empfehlung Wertpapiere zu kaufen, zu verkaufen oder zu halten und kann jederzeit durch die Ratingagentur geändert oder zurückgenommen werden.]

In Übereinstimmung mit dem Schuldverschreibungsgesetz 2009 ("SchVG") sehen die Schuldverschreibungen vor, dass die Anleihegläubiger durch Beschluss (auf die vorherige Entscheidung der Emittentin hin die Anleihebedingungen zu ändern) Änderungen der Anleihebedingungen zustimmen und gewisse sonstige Maßnahmen in Bezug auf die Schuldverschreibungen beschließen können. Ordnungsgemäß erfolgte Beschlüsse der Anleihegläubiger werden ausschließlich im Wege der Abstimmung ohne Versammlung gefasst und sind für alle Anleihegläubiger verbindlich. Beschlüsse der Anleihegläubiger, durch welche der wesentliche Inhalt der Anleihebedingungen geändert wird, bedürfen einer Mehrheit von mindestens 75% der an der Abstimmung teilnehmenden Stimmrechte. Sonstige Beschlüsse bedürfen der einfachen Mehrheit der teilnehmenden Stimmrechte.]

#### **Negativklärung**

Die Bedingungen der Schuldverschreibungen enthalten eine Negativklärung der Emittentin.

#### **Status der Schuldverschreibungen**

Die Schuldverschreibungen begründen unmittelbare, unbedingte, nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen gegenwärtigen und zukünftigen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, soweit diesen Verbindlichkeiten nicht durch zwingende gesetzliche Bestimmungen ein Vorrang eingeräumt wird.

Die Schuldverschreibungen sind vor Ablauf ihrer festgelegten Laufzeit nach Wahl der Emittentin aus Steuergründen und/oder bei Eintritt eines Kontrollwechsels [und/oder and den jeweiligen Rückzahlungstagen zu ihrem festgelegten Nennbetrag][**im Fall von festverzinslichen Schuldverschreibungen:** und/oder an einem Rückzahlungstag zum festgelegten Nennbetrag, oder falls höher, dem abgezinnten Marktwert zuzüglich aufgelaufener Zinsen] rückzahlbar.

#### **Vorzeitige Rückzahlung aus Steuergründen:**

Die vorzeitige Rückzahlung der Schuldverschreibungen aus Steuergründen ist zulässig, falls die Emittentin entweder als Folge einer Gesetzesänderung (oder einer Änderung von darunter erlassenen Bestimmungen und Vorschriften) der Bundesrepublik Deutschland oder einer zur Erhebung von Steuern berechtigten Gebietskörperschaft oder Behörde der Bundesrepublik Deutschland, oder als Folge einer Änderung der offiziellen Auslegung oder Anwendung dieser Gesetze, Bestimmungen oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht, eine Regierungsstelle oder eine Aufsichtsbehörde zur Zahlung zusätzlicher Beträge auf die Schuldverschreibungen verpflichtet ist oder verpflichtet sein wird.

#### **Vorzeitige Rückzahlung bei Eintritt eines Kontrollwechsels:**

Die vorzeitige Rückzahlung der Schuldverschreibungen bei Eintritt eines Kontrollwechsels ist zulässig, wenn eine Person oder mehrere Personen, die am Begebungstag nicht Gesellschafter der Emittentin oder ihrer Komplementärin waren und die im Sinne von § 22 Absatz 2 Wertpapierhandelsgesetz - WpHG abgestimmt handeln, oder einer oder mehrere Dritte, die im Auftrag einer solchen Person oder Personen handeln, zu irgendeiner Zeit mittelbar oder unmittelbar (i) mehr als 50% des Kommanditkapitals der Emittentin oder mehr als 50% des Stammkapitals ihrer Komplementärin oder (ii) eine solche Anzahl von Anteilen am Kommanditkapital der Emittentin oder Stammkapital ihrer Komplementärin erworben hat, auf die mehr als 50% der bei jeweiligen Gesellschafterversammlungen der

Emittentin oder ihrer Komplementärin stimmberechtigten Stimmrechte entfallen.

**[Vorzeitige Rückzahlung nach Wahl der Emittentin zum festgelegten Nennbetrag zuzüglich aufgelaufener Zinsen im Falle festverzinslicher Schuldverschreibungen:**

Die Schuldverschreibungen können insgesamt, jedoch nicht nur teilweise, nach Wahl der Emittentin jederzeit durch Erklärung gegenüber den Anleihegläubigern unter Einhaltung der festgelegten Frist zum festgelegten Nennbetrag zuzüglich aufgelaufener Zinsen zum in der Bekanntmachung festgelegten Kündigungstag zurückgezahlt werden.]

**[Vorzeitige Rückzahlung nach Wahl der Emittentin zum festgelegten Nennbetrag zuzüglich aufgelaufener Zinsen im Falle variabel verzinslicher Schuldverschreibungen:**

Die Schuldverschreibungen können insgesamt, jedoch nicht nur teilweise, nach Wahl der Emittentin an jedem Zinszahlungstag durch Erklärung gegenüber den Anleihegläubigern unter Einhaltung der festgelegten Frist zum festgelegten Nennbetrag zuzüglich aufgelaufener Zinsen zum in der Bekanntmachung festgelegten Kündigungstag zurückgezahlt werden.]

**[Vorzeitige Rückzahlung nach Wahl der Emittentin zum festgelegten Nennbetrag, oder, falls höher, zum abgezinnten Marktwert, im Falle festverzinslicher Schuldverschreibungen:**

Die Schuldverschreibungen können insgesamt, jedoch nicht nur teilweise, nach Wahl der Emittentin an einem Rückzahlungstag durch Erklärung gegenüber den Anleihegläubigern unter Einhaltung der in der Erklärung festgelegten Frist zum festgelegten Nennbetrag, oder falls höher, zum abgezinnten Marktwert zuzüglich aufgelaufener Zinsen zurückgezahlt werden.]

**C.9** Zinssatz

Bitte siehe Punkt C.8

[[●]% jährlich im Fall von festverzinslichen Schuldverschreibungen.]

[Im Fall von variabel verzinslichen Schuldverschreibungen der [EURIBOR][LIBOR für die festgelegte Währung] [[zuzüglich][abzüglich] die Marge in Höhe von jährlich [●]% für die jeweilige Zinsperiode.]

[Im Fall von variabel verzinslichen Schuldverschreibungen mit Mindestzinssatz gilt folgendes: Wenn der gemäß den vorstehenden Bestimmungen für eine Zinsperiode ermittelte Zinssatz niedriger ist als ein festgelegter Mindestzinssatz, so ist der Zinssatz für diese Zinsperiode der festgelegte Mindestzinssatz.]

[Im Fall von variabel verzinslichen Schuldverschreibungen mit Höchstzinssatz gilt folgendes: Wenn der gemäß den vorstehenden Bestimmungen für eine Zinsperiode ermittelte Zinssatz höher ist als ein festgelegter Höchstzinssatz, so ist der Zinssatz für diese Zinsperiode der festgelegte Höchstzinssatz.]

Verzinsungsbeginn

[●]

Zinszahlungstage

[●]

Basiswert auf dem der Zinssatz basiert

[Nicht anwendbar im Fall von festverzinslichen Schuldverschreibungen. Der Zinssatz basiert nicht auf einem Basiswert.]

[[EURIBOR][LIBOR für die festgelegte Währung]

Fälligkeitstag einschließlich Rückzahlungsverfahren

[[●] im Fall von festverzinslichen Schuldverschreibungen.]

		[Im Fall von variabel verzinslichen Schuldverschreibungen [am [●] im Fall eines festgelegten Endfälligkeitstages] [im Fall eines Rückzahlungsmonats [am in den Rückzahlungsmonat und das Rückzahlungsjahr] fallenden Zinszahlungstag].]
		Zahlungen auf Kapital und Zinsen in Bezug auf die Schuldverschreibungen erfolgen an das Clearing System oder dessen Order zur Gutschrift der jeweiligen Kontoinhaber des Clearing Systems.
	Rendite	[[●]% per annum.]
		[Nicht anwendbar im Fall von variabel verzinslichen Schuldverschreibungen. Es wird keine Rendite berechnet.]
	Amortisationsrendite	Nicht anwendbar.
	Name des Vertreters der Inhaber der Schuldverschreibungen	[Nicht anwendbar. Es ist kein gemeinsamer Vertreter in den Anleihebedingungen der Schuldverschreibungen bestellt.]
		[●]
C.10	Erläuterung wie der Wert der Anlage beeinflusst wird, falls die Schuldverschreibungen eine derivative Komponente bei der Zinszahlung aufweisen	Bitte siehe Punkt C.9 Nicht anwendbar. Die Zinszahlung weist keine derivative Komponente auf.
C.11	Zulassung zum Handel an einem geregelten Markt oder anderen gleichwertigen Märkten	Nicht anwendbar. Die Schuldverschreibungen werden zum Handel am [●] zugelassen, welcher kein geregelter Markt im Sinne der EU Richtlinie 2004/39/EC ist..

**Punkt      Abschnitt D – Risiken**

**D.2**      Zentrale Angaben zu den zentralen Risiken, die dem Emittenten eigen sind

Intensiver Wettbewerb im Einzelhandelssektor könnte sich nachteilig auf die Finanz- und Ertragslage der Emittentin auswirken.

Ein wesentlicher Anteil der Umsätze ist dem fortwährenden Risiko wechselnder Kundenwünsche und Modetrends ausgesetzt.

Die Otto Group hat ein erhebliches Volumen an Forderungen aus Lieferungen und Leistungen und ist dem Risiko der Nichtzahlung unter diesen Forderungen aus Lieferungen und Leistungen ausgesetzt. Die Zahlungsmoral hängt von der Bonität der Kunden und von makroökonomischen Rahmenbedingungen ab.

Die Otto Group hat globale Beschaffungs- und Vertriebsaktivitäten sowie eine Vielzahl von Tochterunternehmen außerhalb der Euro-Zone. Die Otto Group ist daher Risiken aus Wechselkursschwankungen ausgesetzt.

Das Geschäft der Otto Group hängt wesentlich von der Qualität ihrer Mitarbeiter ab. Deshalb könnte ein Verlust wichtiger Mitarbeiter einen negativen Effekt auf die Finanz- und Ertragslage der Otto Group haben.

Die Otto Group verfügt über ein hochkomplexes Logistiknetzwerk, das anfällig für externe Schocks ist, was einen negativen Effekt auf die Finanz- und Ertragslage der Otto Group haben könnte.

Die Otto Group nutzt intensiv Informationstechnologie in kritischen Geschäftsprozessen. Das Eintreten von IT-Risiken könnte zu erheblichen Reputationsschäden oder Marktnachteilen sowie zu Umsatzausfällen führen und das operative Geschäft der Otto Group und ihre Kundenbeziehungen beeinflussen.

Die Otto Group versucht, Trends im E-Commerce-Sektor zu

antizipieren und investiert erheblich in Bereiche, in denen sie Wachstumspotenzial sieht. Strategische Fehler können sich negativ auf die Vermögens- und Ertragslage der Otto Group auswirken.

Die Otto Group prüft regelmäßig neue Geschäftsmöglichkeiten in Form von Akquisitionen und Markteintritten. Jede Akquisition birgt erhebliche Risiken, da sich die Annahmen für die Kaufpreisbestimmung hinsichtlich Rentabilität und Synergiepotentialen als falsch erweisen könnten.

Die Otto Group ist einer Reihe von finanziellen Risiken ausgesetzt, wie beispielweise Kontrahentenrisiken, Liquiditätsrisiken, Zinsänderungsrisiken und Marktrisiken.

Die Emittentin geht davon aus, dass die Steuererklärungen der Emittentin und ihrer Tochtergesellschaften den geltenden Steuervorschriften entsprechen. Dennoch könnten sich potenzielle Steuernachforderungen negativ auf die Vermögens- und Ertragslage der Otto Group auswirken.

Die Otto Group bemüht sich, vorhersehbare Risiken durch Versicherungsschutz abzudecken. Trotzdem deckt der Versicherungsschutz die Risiken, denen die Gesellschaften ausgesetzt sind, möglicherweise nicht vollständig ab.

Die Einzelhändler der Otto Group sind von externen Zulieferern abhängig. Eine Insolvenz von Zulieferern könnte sich negativ auf die Versorgungskette auswirken.

Die Otto Group unterliegt Risiken aus der internationalen Beschaffung von Waren, wie zum Beispiel wirtschaftlicher, politischer und sozialer Instabilität in den Regionen, aus denen die Otto Group ihre Waren bezieht.

Die Otto Group ist dem Risiko höherer Einkaufspreise aufgrund von steigenden Faktorkosten in den Produktionsländern ausgesetzt.

Sollten unabhängige Produzenten der Otto Group maßgebliche arbeitsrechtliche Vorschriften nicht einhalten oder gegen internationale Umwelt- und Sozialstandards verstoßen, könnte sich dies negativ auf die Reputation der Otto Group und ihre Finanz- und Ertragslage auswirken.

Die Handelsunternehmen der 3SI Group ("**3SI Commerce**") haben über mehrere Jahre Umsatzrückgänge verzeichnet und erhebliche Verluste erlitten. 3SI Commerce war der Haupttreiber für den Verlust nach Steuern der Otto Group im Geschäftsjahr 2015/16. Im März 2016 wurde der geplante Verkauf von 3SI Commerce bekannt gegeben. 3SI Commerce wird daher als "aufgegebener Geschäftsbereich" im Konzernabschluss der Otto Group ausgewiesen. Es wird erwartet, dass 3SI Commerce die Profitabilität der Otto Group auch im Geschäftsjahr 2016/17 noch belasten wird. Sollten die Ergebnisbelastungen aus der Restrukturierung und dem Verkauf von 3SI Commerce höher ausfallen als erwartet, oder sollten die angestrebten Unternehmensverkäufe nicht plangemäß abgeschlossen werden können, könnte sich dies negativ auf die Finanz- und Ertragslage der Otto Group auswirken.

Das Marktumfeld in Russland ist aufgrund der ökonomischen und politischen Unsicherheiten sowie dem Wechselkursrisiko herausfordernd. Die Otto Group hat sich dazu entschieden, an ihrem Engagement in Russland festzuhalten und konnte das operative Geschäft in die Gewinnzone zurückführen. Da kurzfristig keine erhebliche Änderung in den Aussichten für die russische Wirtschaft erwartet wird, kann dennoch ein weiterer Erlösrückgang in Russland nicht ausgeschlossen werden.

Zudem können politische Risiken wie Kapitalverkehrskontrollen

oder die Enteignung ausländischer Unternehmen nicht ausgeschlossen werden.

Die Otto Group investiert fortlaufend in innovative Geschäftsmodelle sowie in die Logistik- und IT-Infrastruktur. Sollte die Umsetzung dieser Business-Pläne und Infrastrukturinvestitionen nicht erfolgreich sein oder sollte sich der daraus erwartete Nutzen nicht einstellen, könnte dies negative Auswirkungen auf die Finanz- und Ertragslage der Otto Group haben.

Punkt	Abschnitt D – Risiken
D.3	<p data-bbox="367 537 750 622">Zentrale Angaben zu den zentralen Risiken, die den Wertpapieren eigen sind</p> <p data-bbox="766 537 1414 573"><b>Schuldverschreibungen als nicht geeignetes Investment</b></p> <p data-bbox="766 577 1414 663">Jeder potentielle Anleger in Schuldverschreibungen muss die Geeignetheit dieser Investition unter Berücksichtigung seiner eigenen Lebensverhältnisse einschätzen.</p> <p data-bbox="766 667 1414 703"><b>Potentielle Interessenkonflikte</b></p> <p data-bbox="766 707 1414 1034">Alle oder einige der Dealer und ihrer verbundenen Unternehmen sind in der Vergangenheit Investment Banking- und Commercial Banking-Transaktionen sowie anderweitige Finanzberatungs- und Geschäftsverbindungen mit der Emittentin und ihrer verbundenen Unternehmen in Bezug auf von einer Gesellschaft der Otto Group begebene Wertpapiere eingegangen und/oder werden dies auch in Zukunft tun. Die Emittentin und die Platzeure können von Zeit zu Zeit einen Index oder verbundene Derivate umfassende Transaktionen eingehen, die sich auf den Marktpreis, die Liquidität oder den Wert der Schuldverschreibungen auswirken und den Interessen der Anleihegläubiger entgegenstehen können.</p> <p data-bbox="766 1039 1414 1075"><b>Liquiditätsrisiko</b></p> <p data-bbox="766 1079 1414 1272">Es kann keine Zusicherung dafür abgegeben werden, dass sich ein liquider Sekundärmarkt für die Schuldverschreibungen entwickeln wird. In einem illiquiden Markt könnte es sein, dass ein Anleger seine Schuldverschreibungen nicht jederzeit zu angemessenen Marktpreisen veräußern kann. Die Möglichkeit, Schuldverschreibungen zu veräußern, kann darüber hinaus aus landesspezifischen Gründen eingeschränkt sein.</p> <p data-bbox="766 1276 1414 1339"><b>Risiken aufgrund der Struktur einer bestimmten Begebung von Schuldverschreibungen</b></p> <p data-bbox="766 1344 1414 1429">Ein Anleihegläubiger ist dem Risiko ausgesetzt, dass seine Anlage in Folge vorzeitiger Rückzahlung eine unerwartet niedrige Rendite hat.</p> <p data-bbox="766 1433 1414 1554">Der Marktwert von Schuldverschreibungen, welche mit einem wesentlichen Abschlag oder Aufgeld auf ihren Nennbetrag ausgegeben werden, hat die Tendenz, im Verhältnis zu allgemeinen Zinsveränderungen stärker zu schwanken.</p> <p data-bbox="766 1559 1414 1702">Wenn sich die finanzielle Situation der Emittentin verschlechtert, kann dies direkte und wesentlich nachteilige Auswirkungen auf die entsprechenden Anleihegläubiger haben. Im Falle der Liquidation der Emittentin können die Anleihegläubiger ihr gesamtes investiertes Kapital verlieren.</p> <p data-bbox="766 1706 1414 1930">Anleihegläubiger sollten beachten, dass sie ihre Schuldverschreibungen nur im Falle des Eintritts bestimmter Kündigungsgründe seitens der Emittentin fällig stellen können, wie in den Anleihebedingungen festgelegt, einschließlich, unter anderem, im Falle der Nichtzahlung auf die Schuldverschreibungen oder eines Zahlungsverzugs unter einer Kapitalmarktverbindlichkeit mit einem Mindestbetrag von EUR 10.000.000.</p> <p data-bbox="766 1935 1414 1960">Zudem sehen die Anleihebedingungen der</p>



Schuldverschreibungen für bestimmte Kündigungsgründe für die Wirksamkeit einer Kündigungserklärung eines Anleihegläubigers den Eingang von Kündigungserklärungen von Anleihegläubigern in Höhe von mindestens 10% des ausstehenden Gesamtnennbetrages an Schuldverschreibungen vor. Insofern kann ein einzelner Anleihegläubiger die Rückzahlung seiner Schuldverschreibungen nur verlangen, sofern und solange dieses Quorum erfüllt ist. Die Anleihegläubiger können bestimmen, dass ein Antrag von anderen Anleihegläubigern, die mindestens 10% des ausstehenden Gesamtnennbetrages an Schuldverschreibungen halten, ihre Schuldverschreibungen in den in § 8(a)(ii) und/oder (iii) der Anleihebedingungen bestimmten Fällen fällig zu stellen, nicht wirksam sein soll.

Da die Endgültigen Bedingungen vorsehen, dass die Emittentin die Anleihebedingungen der Schuldverschreibungen ändern kann, sofern die Anleihegläubiger der Änderung im Rahmen einer Abstimmung ohne Versammlung mittels Mehrheitsbeschluss zustimmen, besteht die Möglichkeit, dass ein Anleihegläubiger durch einen bindenden Mehrheitsbeschluss der Anleihegläubiger überstimmt wird.

Da die Anleihebedingungen der Schuldverschreibungen die Bestellung eines gemeinsamen Vertreters der Anleihegläubiger vorsehen, kann einem Anleihegläubiger sein individuelles Recht der Geltendmachung eines Teils oder seiner gesamten Rechte aus den Anleihebedingungen gegenüber der Emittentin, entzogen werden.

#### **Marktrisiken**

Der Markt für Schuldverschreibungen kann volatil sein und durch viele Faktoren negativ beeinflusst werden.

Ein aktiver Markt für den Handel mit den Schuldverschreibungen könnte sich nicht entwickeln.

Ein Anleihegläubiger einer auf eine Fremdwährung lautenden Schuldverschreibung ist dem Risiko ausgesetzt, dass Veränderungen der Wechselkurse die Rendite solcher Schuldverschreibungen beeinflussen.

#### **[Festverzinsliche Schuldverschreibungen**

Ein Anleihegläubiger einer festverzinslichen Schuldverschreibung ist dem Risiko ausgesetzt, dass der Preis einer solchen Schuldverschreibung in Folge einer Veränderung der Markttrendite sinkt.]

#### **[Variabel verzinsliche Schuldverschreibungen**

Der Gläubiger von variabel verzinslichen Schuldverschreibungen ist dem Risiko eines schwankenden Zinsniveaus und ungewisser Zinserträge ausgesetzt. Ein schwankendes Zinsniveau macht es unmöglich, die Rendite von variabel verzinslichen Schuldverschreibungen im Voraus zu bestimmen.]

[Variabel verzinsliche Schuldverschreibungen sind volatile Investitionen. Wenn sie so strukturiert sind, dass sie einen Höchst- und einen Mindestzinssatz enthalten, kann dies den Marktwert noch volatiler machen, als er für Wertpapiere ist, die nicht mit Höchst- und Mindestzinssatz strukturiert sind. [Wenn die Endgültigen Bedingungen einen Höchstzinssatz vorsehen, begrenzt dies die Möglichkeit eines Investors an Veränderungen im Wert des maßgeblichen variablen Zinssatzes über die Laufzeit der Schuldverschreibungen zu partizipieren.]]

Der Marktwert der Schuldverschreibungen könnte sinken, falls sich die Kreditwürdigkeit der Emittentin und/oder der Otto Group verschlechtert oder sich die Einschätzung der Marktteilnehmer hinsichtlich der Kreditwürdigkeit von Unternehmensschuldnern allgemein oder von Schuldnern, die im

selben Geschäftsbereich wie die Emittentin und/oder die Otto Group tätig sind, nachteilig verändert.

Die Anlagentätigkeit bestimmter Anleger unterliegt gesetzlichen Vorschriften und Verordnungen über Anlagen oder der Überprüfung oder Regulierung durch bestimmte Behörden. Daher sollte jeder potentielle Anleger seine Rechtsberater konsultieren.

#### **Spezielle Investitionsrisiken**

Die tatsächliche Rendite der Schuldverschreibungen kann aufgrund von Transaktionskosten niedriger als die angegebene Rendite sein.

Wenn der Erwerb der Schuldverschreibungen durch ein Darlehen finanziert wird und anschließend Zahlungsverzug hinsichtlich der Schuldverschreibungen eintritt oder sich der Handelspreis stark verringert, hat der Anleihegläubiger nicht nur einen möglichen Verlust seiner Anlage zu tragen, sondern muss auch das zur Finanzierung genutzte Darlehen zurückzahlen und Zinsen zahlen.

Da die Globalurkunden von oder für ein Clearing System gehalten werden, sind Anleihegläubiger von deren Verfahren zur Übertragung, Zahlung und Kommunikation mit der Emittentin abhängig.

Asset-backed Schuldverschreibungen sind von der Negativerklärung der Emittentin in den Anleihebedingungen ausgenommen. Dementsprechend können die Vermögensgegenstände der Emittentin und ihrer wesentlichen Tochtergesellschaften als Sicherheiten in zukünftigen Transaktionen zur Begebung von Asset-backed Schuldverschreibungen jeglicher Art verwendet werden, ohne dass den Anleihegläubigern gleichrangige und gleichwertige Sicherheiten gewährt werden. Jede Begebung von Asset-backed Schuldverschreibungen reduziert den Betrag, den der Anleihegläubiger im Fall der Liquidation oder Insolvenz der Emittentin erzielen kann.

[Falls die Schuldverschreibungen auf Renminbi lauten, gibt es erhebliche Einschränkungen bei der Überweisung von Renminbi in die und außerhalb der Volksrepublik China ("VR China"), weil der Renminbi nicht frei konvertierbar ist.

Es gibt nur eine begrenzte Verfügbarkeit von Renminbi außerhalb Chinas, was die Liquidität der Schuldverschreibungen und die Fähigkeit der Emittentin beeinträchtigen könnte, Renminbi außerhalb Chinas zu beziehen, um die Schuldverschreibungen zu bedienen.

Der Wert des Renminbi gegenüber dem U.S. Dollar und anderen Fremdwährungen schwankt und wird durch Veränderungen in der VR China und durch internationale politische und wirtschaftliche Bedingungen und von vielen anderen Faktoren beeinflusst.

Die Regierung der VR China hat in den letzten Jahren schrittweise die Regulierung der Zinssätze liberalisiert. Eine weitere Liberalisierung kann die Volatilität des Zinssatzes erhöhen.

Alle Zahlungen bezüglich der Schuldverschreibungen werden ausschließlich, wie in den Schuldverschreibungen verbrieft, durch Übertragung auf ein Renminbi Bankkonto in Hong Kong geleistet.]

Die EU bzw. (bestimmte) EU Mitgliedstaaten könnten eine Finanztransaktionssteuer einführen. Die Tragweite solcher Regelungen ist im Moment nicht vollständig vorhersehbar.

Die effektive Rendite der Schuldverschreibungen kann durch die steuerlichen Auswirkungen einer Anlage in

Schuldverschreibungen verringert werden.

Die Richtlinie 2003/48/EG (soweit anwendbar und in der anwendbaren Form) des Rates über die Besteuerung von Zinserträgen könnte nachteilige Auswirkungen auf die Anleger haben.

Die Emittentin oder andere Personen in der Zahlungskette können gemäß den steuerlichen Bestimmungen über Auslandskonten des U.S. Hiring Incentives to Restore Employment Act of 2010 – FATCA – verpflichtet sein, U.S. Steuern in Höhe von 30 % auf alle Zahlungen oder anteilige Zahlungen einzubehalten, die nach dem 31. Dezember 2018 in Bezug auf (i) Schuldverschreibungen geleistet werden, die zu einem Datum ausgegeben oder wesentlich verändert wurden, das mehr als sechs Monate nach dem Datum liegt, an dem die auf ausländische durchlaufende Zahlungen ("foreign passthru payments") anwendbaren endgültigen Bestimmungen im Federal Register der USA eingetragen wurden, ausgegeben oder wesentlich verändert wurden; bzw. auf (ii) Schuldverschreibungen geleistet werden, die für U.S. Steuerzwecke als Eigenkapital behandelt werden, unabhängig davon wann diese ausgegeben worden sind. Die Emittentin wird aber durch Leistung der Zahlung an das betreffende Clearing System oder an dessen Order von ihrer Zahlungspflicht unter den Schuldverschreibungen befreit und trägt daher keine Verantwortung für Beträge, die im Anschluss daran durch das betreffende Clearing System und Verwahrer oder Intermediäre übermittelt werden.

<b>Punkt</b>	<b>Abschnitt E – Angebot von Schuldverschreibungen</b>	
<b>E.2b</b>	Gründe für das Angebot und Zweckbestimmung der Erlöse, sofern diese nicht in der Gewinnerzielung und/oder der Absicherung bestimmter Risiken liegen.	Der Nettoerlös aus der Emission von Schuldverschreibungen wird für allgemeine Unternehmenszwecke der Otto Group eingesetzt. [●]
<b>E.3</b>	Beschreibung der Angebotskonditionen	[Gesamtnennbetrag einfügen] [Emissionspreis einfügen] [Mindestzeichnung einfügen] [Art des Verkaufs einfügen] [Beginn und Ende des Angebots- oder Bezugszeitraums] [Emissionsübernahme und/oder Platzierung durch andere Institute einfügen] [andere oder weitere Angebotskonditionen einfügen]
<b>E.4</b>	Für die Emission wesentliche, auch kollidierende Interessen	[●]
<b>E.7</b>	Schätzung der Ausgaben, die dem Anleger vom Emittenten oder Anbieter in Rechnung gestellt werden.	[●]

## **RISK FACTORS**

*The below description relates to risk factors that are material for the assessment of the market risk associated with the Notes and risk factors that may affect the Issuer's ability to fulfill its obligations under the Notes. Any of these risks could adversely impact the financial condition and results of operations of the Issuer. The market price of the Notes could decline due to the materialisation of any of these risks, and investors could lose all or part of their investments.*

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

*Additional risks not currently known to the Issuer that are now immaterial may result in material risks in the future. Potential investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision. The sequence in which the risk factors are presented below is not indicative of their likelihood of occurrence or the scope of their financial consequences.*

*Words and expressions defined in the "Terms and Conditions of the Notes" shall have the same meanings in this section "Risk Factors".*

### **Risk factors relating to the Issuer and the Otto Group**

#### **Risk factors in respect of market and competition**

Intensive competition in the retail sector could adversely impact the financial condition and results of operations of the Issuer. A decreased level of economic activity could lead to deterioration in consumer spending and therefore negatively affect the Otto Group's financial condition and result of operations.

The Issuer regularly aims to tap new markets, which could lead to high expenditures for market development, market launch and market penetration. The market objectives connected with business expansion may not be achieved.

Should competition intensify in the market segments in which the Otto Group operates, a decrease in profit margins cannot be excluded. In the worst case the Issuer and/or its subsidiaries could be forced out of the market.

Especially within the e-commerce sector, competition intensified over the last years due to low entry barriers and the fast development of the online market. In addition, numerous competitors follow a strategy of lowering prices to gain market share at the expense of profitability, especially in the market for fashion and electronic devices. The competitive dynamics in the sector therefore represent a noteworthy risk for the Issuer.

The Otto Group's financial services companies, which operate in the fields of receivables management and debt collection, face the risks of a stricter legal environment as well as the risk of a deterioration in economic conditions, which in turn would negatively affect the realisation of non-performing receivables.

#### **Changing customer taste and fashion trends**

Although the Otto Group offers a wide range of products in its retail segment, a significant portion of sales is exposed to the risk of constantly changing customer tastes and fashion trends. Should assortments fail to appeal to customers' taste, fail to meet their expectations of quality, this could lead to declining sales and a write-down of the inventory, which could adversely affect the Otto Group's financial condition and results of operations.

#### **Defaults by customers in respect of their payment obligations**

The Otto Group offers its customers a range of payment options, including installments and payment by invoice. As a consequence, the Otto Group has a substantial volume of trade receivables and is exposed to the risk of non-payment under these receivables. The payment behavior of customers depends on their creditworthiness and on macroeconomic conditions. Should the risk measurement and risk control systems

which the Otto Group has in place turn out to be insufficient for any reason, this could have a negative impact on the Otto Group's financial condition and results of operations.

#### **Fluctuations in currency exchange rates**

The Otto Group has global sourcing and selling activities and a number of subsidiaries which are not located in the Euro zone. As a result, the Otto Group is affected by fluctuations in currency exchange rates. To the extent deemed appropriate and economically viable, financial instruments are used to hedge the exposure to foreign currency fluctuations. However, to the extent that such financial instruments are not sufficient or not effective, fluctuations of local currencies against the Euro could affect the Otto Group's financial condition and results of operations. In times of particular volatility in the foreign exchange markets, such as observed for the Russian rouble in recent years, entire business models may become unprofitable.

#### **Risk factors in respect of management and employees**

The Otto Group's business success depends considerably on the quality of its employees. A loss of important employees could have a negative impact on the Otto Group's financial condition and results of operations. If no qualified personnel can be found within an appropriate period for the seamless continuation of its business, this could also adversely affect the Otto Group's financial condition and results of operations.

#### **Risks related to the Otto Group's logistics operations**

Since logistics are crucial to the Otto Group's business, highly advanced processes and systems are employed for everything from merchandise pickup and goods movement to intelligent route planning for the Group's own parcel services providers. Based on long years of experience in logistics services, the Group maintains resources that are able to cope even with seasonal peaks.

However, as this logistics network is highly sophisticated, it is also vulnerable to external shocks, which could have an adverse impact on the Otto Group's financial condition and results of operations.

The market for logistics services is highly competitive and characterised by increasing cost pressure and the entrance of new competitors. In addition, due to new labour legislation, performance-based remuneration of distributors is no longer allowed in Germany. This negatively impacts the profitability of the Otto Group's logistics operations. There is a risk that, despite capital investments to counter these effects, the profitability of the logistics activities concerned may not reach the level of profitability of prior years.

#### **IT risk**

The Otto Group makes intensive use of information technology, in critical business processes. Operational risks related to the Otto Group's heavy reliance on IT systems include the risk of unauthorised access, fraud and sabotage, system failures, server breakdowns, loss of data or false pricing information in the Otto Group's webshops. Other potential consequences include lack of data availability, software problems or a decreased data transfer rate. The Otto Group minimises these IT-related risks by deploying comprehensive security concepts. In addition to organisational measures, the security strategy comprises elements such as installing firewall systems, virus scanners and access controls. Security tests are regularly carried out by internal and external specialists, and the measures adopted on this basis are rigorously monitored.

The robustness and business continuity of the Otto Group's data centres are ensured by fire protection and emergency power supply systems. Business-critical systems are distributed over two data centres and are thus designed redundantly. This also applies to vital data that are permanently mirrored across both data centres. The established IT emergency management process also provides for ongoing development of IT emergency precautionary measures and regular emergency exercises.

The Otto Group has made the strategic decision to decentralise its IT systems. By allowing group companies to build their own IT systems, the Otto Group seeks to increase its subsidiaries' agility and ability to respond to market changes. A major IT project for the Otto Group – the replacement of the host system – was completed in financial year 2015/16. The decentralisation of IT systems aims to achieve a broader diversification of IT risks at the Group level.

The materialisation of any of the aforementioned IT risks could result in substantial reputational damage or market disadvantages for the Otto Group and/or its subsidiaries, to turnover losses as well as affect the Otto

Group's operating business and its customer relations. All of the above could have a negative impact on the Otto Group's financial condition and results of operations.

#### **Risk of strategic and investment errors**

The Otto Group aims to anticipate trends in the fast-moving e-commerce sector at an early stage and allocates significant amounts of capital to areas where it has identified growth potential. Should the assumptions on which such strategic decisions are based turn out to be wrong, or should the Otto Group fail to establish the desired market position in these growth areas, the Otto Group's investments in such areas may turn out to be worthless. Such strategic errors could have a negative impact on the Otto Group's financial condition and results of operations.

#### **Risk factors in respect of startups, mergers and acquisitions**

Apart from organic growth, the Otto Group regularly explores additional opportunities by way of acquisitions and market entries. The Otto Group regularly sets up new companies in promising sectors and invests in startups via its venture capital activities. Each acquisition bears substantial risks as the assumptions for the purchase price determination regarding profitability and synergy potentials may not prove correct. Business plans for startups may not be achieved. It cannot be excluded that an investment will not generate the expected returns or will be a total loss. This risk increases with increasing size and/or complexity of the acquisition target or market entry.

#### **Risk factors in respect of debt and other financial risks**

The Otto Group's worldwide setup exposes it to a number of financial risks. Counterparty credit risk, liquidity risk, interest rate risk and market risk are of particular importance for the Otto Group.

Counterparty credit risk refers to the risk of a borrower or counterparty defaulting or partly defaulting on liabilities due to a deterioration in its financial situation. Liquidity risk refers to a situation where a company does not have sufficient funds to meet its payment obligations, or where the liquidity required cannot be obtained at anticipated conditions.

The main financing sources of the Otto Group are credit lines granted by banks and other funding instruments consisting of, amongst others, bond issues, asset backed securities and other instruments in the capital markets. The Otto Group seeks to maintain a significant amount of undrawn credit lines at any time.

Regarding its debt financing, the Otto Group depends on the economic environment, in particular in the national and international bank and capital markets. These markets are affected by several factors, such as stock exchange trends, central bank policy, market expectations and international conflicts, which cannot be influenced by the Issuer. Several years after the start of the global financial crisis, the banking sector, continues to undergo profound transformations. Due to regulatory requirements, strategic shifts or changes in ownership, banks with whom the Otto Group has business relationships may pursue more restrictive lending policies in the future, or may even exit markets altogether.

The Otto Group's liquidity needs are monitored based on a rolling monthly liquidity forecast with a twelve-month horizon, and a daily forecast with a horizon of four weeks or more. Should the financial planning prove inadequate, refinancing risk might arise and have a significant negative impact on the financial position of the Otto Group. If, at the time of financial liabilities maturing, refinancing is not available at attractive conditions, this may lead to an increase in financing costs for the Otto Group. The Otto Group seeks to mitigate this risk by spreading the maturities of its financings over time in order to avoid concentration of refinancing risk.

Considerable expenses accrue each year for the payment of interest and other costs relating to the Issuer's various sources of funding. These costs affect the liquidity and profitability of the Issuer. In case of an increase in interest rates or in the other costs of financing, or if the availability of financing is reduced, this could have a negative impact on the financial condition of the Otto Group.

#### **Tax risk**

A final tax audit report and final tax assessments for the Issuer and for the relevant German subsidiaries have been issued by the competent tax authorities for the years 2005-2009. However, the tax assessments of the Issuer (determination of taxable profits, trade tax and value-added tax) are final but under appeals procedure

determined by the ex-partners of the Issuer. The tax statements for the years 2010-2013 are present and subject to the reservation of reexamination.

The Issuer believes that the tax returns of the Issuer and its subsidiaries are prepared in accordance with the relevant fiscal regulations. If the relevant tax authorities come to a different conclusion with regards to particular issues, this could lead to additional tax claims, which could adversely affect the Otto Group's financial condition and results of operations.

#### **Existing insurance coverage may turn out to be inadequate**

The Otto Group seeks to cover foreseeable risks through insurance coverage. Such insurance cover, however, may not fully cover the risks to which the companies are exposed. This can be the case with insurance covering legal and administrative claims, as well as with respect to insurance covering other risks. For certain risks, adequate insurance coverage may not be available in the market or may not be available at reasonable conditions. Consequently, any harm resulting from the materialisation of these risks could result in significant capital expenditures and expenses as well as liabilities, which could have a negative impact on the Otto Group's financial condition and results of operations.

#### **Solvency of suppliers**

As a retailer, the Issuer depends on its external suppliers. Insolvencies in the supply chain could lead to restrictions in the deliverability of goods.

#### **International procurement of goods**

The Otto Group is subject to risks associated with the international procurement of goods. The Otto Group purchases a considerable proportion of its goods in Asia.

Economic, political or social instability in the regions in which the Otto Group sources its goods, import or export restrictions as well as adverse trade tariffs may have a detrimental effect on the Otto Group's operations.

In the logistics segment, there is a risk of increased transport costs and higher fuel prices. Any of the aforementioned events could adversely affect the Otto Group's financial condition and results of operations.

#### **Increase in the purchase price of goods**

The Otto Group is exposed to the risk of a potential rise in procurement prices. Although the prices of cotton and oil have been falling since the summer of 2014 and oil prices are expected to remain at a relatively low level for the foreseeable future, the Otto Group does not expect a significant beneficial impact on procurement prices from these factors. On the contrary, factor costs in the producing countries - above all in Asia - are expected to increase in the long run. There is a risk that these factors may lead to a deterioration in gross margins. This may have a negative impact on the Otto Group's financial condition and results of operations.

#### **Working conditions of suppliers**

The Otto Group does not have its own production facilities and purchases the products marketed by it directly from manufacturers and/or trade companies. The Otto Group has a professional purchasing management in place, with special emphasis on the selection of its suppliers. The aim is to minimise quality deficits through close collaboration with suppliers and manufacturers and through ongoing quality controls.

Several manufacturers are based in countries where working and environmental conditions as well as social standards are inconsistent with Western European or generally recognised international standards. The Otto Group has committed itself to environmentally sustainable and socially responsible practices and endeavours to commit its suppliers to comply with these policies as well. However, the Otto Group cannot guarantee that its suppliers will always comply with these standards in practice.

Should one of the independent manufacturers not comply with the relevant labor law provisions or should they be in breach of generally recognised environmental or social international standards, this could be detrimental to the Otto Group's reputation and consequently have an adverse impact on the Otto Group's financial condition and results of operations.

### **3SI Commerce**

The retail companies of the 3SI Group ("**3SI Commerce**") have experienced declines in revenues and significant losses over a number of years. 3SI Commerce was the main driver for the Otto Group's loss after taxes for the financial year 2015/16. In this context, the 3SI Group announced in March 2016 that it intends to sell all of its retail activities in order to concentrate on its service activities going forward. 3SI Commerce is therefore accounted for as "discontinued operations" in the Otto Group's financial statements. 3SI Commerce is expected to still weigh on the profitability of the Otto Group in financial year 2016/17. Should the burden on profitability from the restructuring and sale of the 3SI Commerce operations exceed expectations, or should the intended disposals not be completed as planned, this could adversely affect the Otto Group's financial condition and results of operations.

### **Developments in Russia**

In Russia, the Otto Group has built a leading market position in the e-commerce and distance-selling sector. Macroeconomic conditions in Russia are difficult, however. Following a significant decline in GDP in 2015, the Russian economy is expected to remain in recession in 2016. The sanctions in connection with the conflict in Ukraine, as well as the decline of the oil price, are expected to continue to weigh heavily on the market environment and consumer behaviour.

In financial year 2015/16, the revenues in Russia declined by 19.4% when adjusted for currency movements. Given the decline of the Russian ruble, however, the decline in revenues in euros amounted to 36.1%.

Despite the challenging economic conditions, the Otto Group continues to see growth prospects in Russia in the long run and has decided to remain committed to the Russian market. In financial year 2015/16, the Otto Group implemented restructuring measures in order to address the challenges in the Russia market and achieved a return to profitability at the operating level. Nevertheless, given that no significant change in outlook for the Russian economy is expected in the short run, a further decline in revenues in Russia cannot be excluded. In addition, both revenues and earnings remain exposed to foreign exchange risks, especially where goods are purchased in euros and sold in Russian ruble.

In addition, political risks such as capital controls or the expropriation of foreign-owned companies, cannot be excluded.

All of these risks could negatively impact the Otto Group's financial condition and results of operations.

### **Investments in innovative business models, logistics and IT**

The Otto Group invests steadily in innovative business models and the logistics and IT infrastructure. These measures are a burden on profitability in the short term, but are designed to secure the long-term competitiveness of the Otto Group.

Companies with a strategic focus on revenue growth, such as myToys.de GmbH or Collins, are expected to have a negative impact on profitability in financial year 2016/17.

Should the execution of business plans and infrastructure investments not be successful, or should the benefits that are expected from these investments not materialise, this could adversely affect the Otto Group's financial condition and results of operations.

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

#### **The Notes may not be a suitable investment for all investors**

Each potential investor in the Notes must determine whether or not the Notes represent a suitable investment in light of that investor's own circumstances. The Notes are only suitable for sophisticated investors that:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;



- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) are able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally purchase complex financial instruments as part of a wider portfolio strategy rather than as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with a measured and appropriate addition of risk to their overall portfolios, and only after performing an intensive analysis of all involved risks. A potential investor should not invest in the Notes – which are complex financial instruments – unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

### **Potential Conflicts of Interest**

All or some of the Dealers and their affiliates have engaged, and/or may in the future engage, in investment banking, commercial banking and other financial advisory and commercial dealings with the Issuer and its affiliates and in relation to securities issued by any entity of the Group. They have or may (i) engage in investment banking, trading or hedging activities including in activities that may include prime brokerage business, financing transactions or entry into derivative transactions, (ii) act as underwriters in connection with offering of shares or other securities issued by any entity of the Group or (iii) act as financial advisers to the Issuer or other companies of the Group. In the context of these transactions, some of such Dealers have or may hold shares or other securities issued by entities of the Group. Where applicable, they have or will receive customary fees and commissions for these transactions.

Each of the Issuer and the Dealers may from time to time be engaged in transactions involving an index or related derivatives which may affect the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders. Potential conflicts of interest may arise between the Calculation Agent, if any, for a Tranche of Notes and the Noteholders, including with respect to certain discretionary determinations and judgments that such Calculation Agent may make pursuant to the Terms and Conditions of the Notes that may influence the amount receivable upon redemption of the Notes.

### **Liquidity risk**

Application has been made to the Luxembourg Stock Exchange for Notes issued under this Base Prospectus to be admitted to trading on the Euro MTF of the Luxembourg Stock Exchange and to be listed on the official list of the Luxembourg Stock Exchange. In addition, the Programme provides that Notes may not be listed at all. Regardless of whether the Notes are listed or not, there is a risk that no liquid secondary market for the Notes will develop or, if it does develop, that it will not continue. The fact that the Notes may be listed does not necessarily lead to greater liquidity as compared to unlisted Notes. If Notes are not listed on any exchange, pricing information for such Notes may, however, be more difficult to obtain which may affect the liquidity of the Notes adversely. In an illiquid market, an investor is subject to the risk that he will not be able to sell his Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by country specific reasons.

### **Risks related to the structure of a particular issue of Notes**

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

### ***Early Redemption by the Issuer***

At the Issuer's option, the Notes may be redeemed prior to the Maturity Date at par plus accrued interest (i) if, as a result of a future change of the laws applicable in Germany, the Issuer will be obliged to pay Additional Amounts or (ii) a Change of Control has occurred.

If provided for in any Final Terms for a particular Series of Notes, the Notes may be redeemed at their Specified Denomination together with accrued interest (if any) or at the Early Redemption Amount prior to the Maturity Date if Notes are subject to early redemption at the option of the Issuer.

If the Notes of any Series are redeemed earlier than expected, a Noteholder is exposed to the risk that due to the early redemption his investment will have a lower than expected yield and to the risks connected with any reinvestment of the cash proceeds received as a result of the early redemption. The redemption amount may be lower than the then prevailing market price of and the purchase price for the Notes paid by the Noteholder for the Notes so that the Noteholder in such case would not receive the total amount of the capital.

### ***Notes issued at a substantial discount or premium***

The market values of Notes issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the Notes, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

### ***No limitation on issuing debt***

There is no restriction on the amount of liabilities which the Issuer may issue. The Issuer and its subsidiaries and affiliates may incur additional indebtedness in respect of indebtedness of third parties. If the Issuer's financial condition were to deteriorate, the relevant Noteholders could suffer direct and materially adverse consequences, including (if so specified in the relevant Final Terms) suspension, deferral or cancellation of interest and, if the Issuer was liquidated (whether voluntarily or involuntarily), loss by the relevant Noteholders of their entire investment.

### ***Events of Default***

Noteholders may declare their Notes due and payable under § 8 of the Terms and Conditions of the Notes in the event that, inter alia, (i) the Issuer fails to pay principal or interest within 7 days from the relevant due date, or (ii) the Issuer fails duly to perform any other material obligation arising from the Notes and such failure, continues for more than 15 days after the Fiscal Agent has received notice thereof from a Noteholder, or (iii) there is a payment default (*Verzug*) for 30 days under any Capital Market Indebtedness with a minimum amount of EUR 10,000,000, or (iv) the Issuer or a Material Subsidiary ceases to effect payments or announces its inability to meet its financial obligations, or (v) a court institutes insolvency or similar proceedings against the Issuer or a Material Subsidiary, or (vi) the Issuer or a Material Subsidiary ceases all or substantially all of its business operations or sells or otherwise disposes of all or a material part of its assets and thus (a) the Issuer materially reduces the value of its assets and (b) for this reason it becomes likely that the Issuer may not fulfil its payment obligations under the Notes; or (vii) the Issuer or a Material Subsidiary goes into liquidation.

Investors in the Notes should be aware that, in the case of the event of default under § 8(a)(iii) of the Terms and Conditions of the Notes and in the absence of a payment default (*Verzug*), the Notes can only be accelerated after the relevant Capital Market Indebtedness has been declared due and payable by a creditor of such Capital Market Indebtedness and have not been paid within 30 days. Therefore, it is likely that the respective creditor or creditors of such Capital Market Indebtedness have a due and payable claim for payment of principal and interest under such Capital Market Indebtedness before the claim for repayment of principal and interest under the Notes by a Noteholder pursuant to § 8(a)(iii) of the Terms and Conditions of the Notes becomes due and payable. Therefore, it cannot be excluded that a later due date for payments to the Noteholders caused thereby result in disadvantages of the Noteholders compared to such other creditor or creditors.

In the case of an event of default under § 8(a)(ii) and/or (iii) of the Terms and Conditions of the Notes and in the absence of any other event of default pursuant to § 8 of the Terms and Conditions of the Notes, a Noteholder declaring its Notes due and payable is subject to the fulfilment of the condition that Noteholders of at least 10% in principal amount of the Notes then outstanding have also declared their Notes due and

payable. Therefore, a particular Noteholder will only be able to claim repayment under its Notes from the Issuer pursuant to § 8(a)(ii) and (iii) of the Terms and Conditions of the Notes if and when such quorum is met. As a consequence, if at any time only Noteholders representing less than 10% of the outstanding principal amount of the Notes declare their Notes due and payable pursuant to § 8(a)(ii) and/or (iii) of the Terms and Conditions, their Notes will remain outstanding until the Maturity Date. Noteholders may decide that a request of other Noteholders holding at least one-tenth in principal amount of Notes then outstanding to declare their Notes due in the events specified in § 8(a)(ii) and/or (iii) of the Terms and Conditions shall not be valid.

#### ***Amendments to the Terms and Conditions of the Notes by resolution of the Noteholders***

If the Final Terms provide that the Terms and Conditions may be amended by the Issuer with consent of the Noteholders by way of a majority resolution by a vote not requiring a physical meeting (*Abstimmung ohne Versammlung*) as described in Sections 5 et seq. German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen*, "SchVG"), the Issuer may subsequently amend the Terms and Conditions with the consent of the majority of Noteholders specified in the Final Terms, which amendment will be binding on all Noteholders of the relevant Series of Notes even if they may have voted against the change.

Therefore, a Noteholder is subject to the risk of being outvoted by a majority resolution of the Noteholders. As such majority resolution is binding on all Noteholders of a particular Series of Notes, certain rights of such Noteholder against the Issuer under the Terms and Conditions may be amended or reduced or even cancelled, which may have significant negative effects on the value of the Notes and the return from the Notes.

If the Final Terms provide for the appointment of a Noteholders' joint representative, either in the Terms and Conditions or by a majority resolution of the Noteholders, a Noteholder may be deprived of its individual right to pursue and enforce a part or all of its rights under the Terms and Conditions against the Issuer, such right passing to the Noteholders' joint representative who is then exclusively responsible to claim and enforce the rights of all the Noteholders.

#### **Market risks**

##### ***Market volatility and other factors***

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

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

##### ***No active trading market***

An active trading market for the Notes may not develop.

There can be no assurance that an active trading market for the Notes will develop or, if one does develop, that it will be maintained. If an active trading market for the Notes does not develop or is not maintained, the market or trading price and liquidity of the Notes may be adversely affected.

The Issuer or its affiliates are entitled to buy and sell the Notes for their own account or for the account of others, and to issue further Notes. Such transactions may favourably or adversely affect the price development of the Notes. If additional and competing products are introduced in the markets, this may adversely affect the value of the Notes.

##### ***Exchange rate risk and, exchange controls risk***

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency

relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes and (iii) the Investor's Currency equivalent market value of the Notes.

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

#### ***Interest rate risks for fixed rate Notes***

Investment in fixed rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the fixed rate Notes. Noteholders are exposed to the risk that the price of such Notes may fall because of changes in the market yield. While the nominal interest rate (i.e. the coupon) of the Notes is fixed, the market yield typically changes on a daily basis. As the market yield changes, the price of the Notes changes in the opposite direction. If the market yield increases, the price of the Notes falls. If the market yield falls, the price of the Note increases. Noteholders should be aware that movements of the market yield can adversely affect the price of the Notes and can lead to losses for the Noteholders.

Noteholders should also be aware that the market yield has two components, namely the risk free rate and the credit spread. The credit spread is reflective of the yield that investors require in addition to the yield on a risk free investment of equal tenor as a compensation for the risks inherent in the Notes. The credit spread changes over time and can decrease as well as increase for a large number of different reasons. The market yield of the Notes can change due to changes of the credit spread, the risk free rate, or both.

In addition, Noteholders are exposed to reinvestment risk with respect to proceeds from coupon payments or early redemptions by the issuer. If the market yield (or market spread respectively) declines, and if Noteholders want to invest such proceeds in comparable transactions, Noteholders will only be able to reinvest such proceeds in comparable transactions at the then prevailing lower market yields (or market spreads respectively).

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

A key difference between floating rate Notes and fixed rate Notes is that interest income on floating rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of floating rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having a longer term with fixed interests.

Since the Margin, if any, is fixed at issuance of the Notes, Noteholders are subject to the risk that the Margin does not reflect the spread that investors require in addition to the relevant reference interest rate as a compensation for the risks inherent in the Notes ("market spread"). The market spread typically changes on a daily basis. As the market spread changes, the price of the Note changes in the opposite direction. A decrease of the market spread has a positive impact on the price of the Note, an increase of the market spread has a negative impact on the price of the Note. However, the price of the Notes is subject to changes in the market spread, changes in the reference interest rate or both. Noteholders should be aware that movements of the market spread can adversely affect the price of the Notes and can lead to losses for the Noteholders.

In addition, Noteholders are exposed to reinvestment risk with respect to proceeds from interest payments or any early redemptions by the Issuer. If the market yield (or market spread respectively) declines, and if Noteholders want to invest such proceeds in comparable transactions, Noteholders will only be able to reinvest such proceeds in comparable transactions at the then prevailing lower market yields (or market spreads respectively).

#### ***The potential for the amount of interest payable under the Notes to increase may be limited***

Where the Terms and Conditions of Floating Rate Notes provide that an interest rate is subject to a cap (in which case a Maximum Rate of Interest will be specified), an investor's ability to participate in any change in the value of the relevant floating rate over the life of the Notes will be limited, no matter how much the level of the interest rate calculated by reference to the floating rate rises above the Maximum Rate of Interest over the life of the Notes. Accordingly, an investor's return on the Notes may be significantly less than if the investor had exposure to the floating rate directly.

#### ***Floating rate Notes with a maximum or minimum interest rate***

The Issuer may issue Notes with floating interest rates. Such Notes can be volatile investments. If they are structured to include maximum or minimum interest rate their market values may be even more volatile than those for securities that do not include those features.

***The market value of the Notes could decrease if the creditworthiness of the Otto Group deteriorates***

If the likelihood that the Issuer will be in a position to fully perform all obligations under the Notes when they fall due decreases, for example, because of the materialisation of any of the risks regarding the Otto Group, the market value of the Notes will suffer. In addition, even if the likelihood that the Issuer will be in position to fully perform all obligations under the Notes when they fall due actually has not decreased, market participants could nevertheless have a different perception. In addition, the market participants' estimation of the creditworthiness of corporate debtors in general or debtors operating in the same business as the Otto Group could adversely change. If any of these risks occurs, third parties would only be willing to purchase Notes for a lower price than before the materialisation of mentioned risk. Under these circumstances, the market value of the Notes will decrease.

***Legal investment considerations may restrict certain investments***

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

**Special investment risks**

***Transaction costs***

An actual yield on the Notes may be reduced from the stated yield by transaction costs.

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

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

Noteholders must further take into account that upon sales or purchases of Notes prior to an interest payment date (depending on their type and features), respectively, no accrued interest might be paid or charged, as the case may be.

**Margin lending**

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

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

***Because the Global Notes are held by or on behalf of a Clearing System, investors will have to rely on their procedures for transfer, payment and communication with the Issuer***

The Notes will be represented by one or more Global Notes. Such Global Notes will be deposited with a Clearing System. Investors will not be entitled to receive definitive Notes. The Clearing System will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through the Clearing System and the Issuer will discharge its payment obligations under the Notes by making payments to the Clearing System for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of the Clearing System to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of beneficial interests in the Global Notes.

#### ***Negative pledge and potential ABS transactions***

§ 2(b) of the Terms and Conditions sets out the negative pledge of the Issuer under which it undertakes not to grant any security (other than a permitted security) for any existing or future capital market indebtedness (including any guarantees or indemnities in respect thereof) on the existing or future assets of the Issuer or any of its material subsidiaries without at the same time granting to the Noteholders an equal and rateable security. However, § 2 (b) of the Terms and Conditions stipulates that this provision shall not apply to any security that has been or will be granted within the scope of asset-backed securities ("ABS") transactions of the Issuer or its material subsidiaries. Accordingly, assets of the Issuer and its material subsidiaries may be used as security in future ABS transactions of any type, without equal and rateable security being granted to the Noteholders. Any such transactions will reduce the amount recoverable by the Noteholders upon winding-up or insolvency of the Issuer.

#### ***Negative pledge and borrowings not classified as Capital Market Indebtedness***

Any borrowings that do not meet the definition of Capital Market Indebtedness (including but not limited to bank loans) are excluded from the negative pledge. Therefore, in any of these cases the Issuer is under no obligation to grant the Noteholders an equal and rateable security. Such transactions may reduce the amount recoverable by the Noteholders upon winding-up or insolvency of the Issuer.

#### ***European Initiative on Financial Transaction Tax***

On 14 February 2013, the EU Commission adopted a proposal for a Council Directive (the "**Draft Directive**") on a common financial transaction tax ("**FTT**"). According to the Draft Directive, the FTT shall be implemented in eleven EU Member States (Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Spain, Slovakia and Slovenia; the "**Participating Member States**").

Pursuant to the Draft Directive, the FTT shall be payable on financial transactions provided at least one party to the financial transaction is established or deemed established in a Participating Member State and there is a financial institution established or deemed established in a Participating Member State which is a party to the financial transaction. Among others, FTT shall however not be payable on primary market transactions referred to in Article 5 (c) of Regulation (EC) No 1287/2006, including the activity of underwriting and subsequent allocation of financial instruments in the framework of their issue.

**Ten EU Member States (including Germany) recently announced that they intent to reach an agreement with regard to FTT by the end of June 2016, focussing initially on the taxation of shares and certain derivatives. Estonia recently stated that it will not participate. However, the FTT proposal remains subject to negotiation between EU Member States and the scope of any such tax is uncertain. Additional EU Member States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.**

#### ***Tax impact of the investment***

An effective yield on the Notes may be diminished by the tax impact on an investment in the Notes.

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

All investors are advised to contact their own tax advisors for advice on the tax impact of an investment in the Notes. Examples of taxation risk that investors should consider together with their advisors include the risk of double taxation (in Germany and their home jurisdiction) and uncertainties as to FTT.

### ***EU Savings Tax Directive***

Under measures implemented in order to comply with Council Directive 2003/48/EC (as applicable) on the taxation of savings income (the "**Savings Directive**"), each Member State is required to provide to the tax authorities of another Member State details of payments of interest and other similar income paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period (ending on 31 December 2016), Austria instead (unless during that period it elects otherwise) operates a withholding system in relation to such payments.

A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures. If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. If a withholding tax is imposed on payments made by a Paying Agent, the Issuer will be required (save as provided in the Terms and Conditions) to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Savings Directive.

The Savings Directive was, however, recently repealed in order to avoid overlap with the amended Council Directive 2011/16/EU on administrative cooperation in the field of taxation, pursuant to which Member States will be required to apply other new measures on mandatory automatic exchange of information from 1 January 2016 (except that Austria is allowed to start applying these measures up to one year later).

### ***Payments under the Notes may be subject to withholding tax pursuant to FATCA***

Whilst the Notes are in global form and held within a clearing system in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the clearing system. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA including any IGA legislation, if applicable), provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them.

If an amount in respect of U.S. withholding tax were to be deducted or withheld from interest, principal or other payments on the Notes as a result of FATCA, neither the Issuer, nor any paying agent or any other person would, pursuant to the Terms and Conditions of the Notes be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected.

### **Special investment risks referring to Notes denominated in Renminbi**

#### ***Issues of Notes denominated in Renminbi***

The Renminbi is not freely convertible; there are significant restrictions on the remittance of Renminbi into and outside the People's Republic of China ("**PRC**").

If the specified currency of the Notes is Renminbi, they are denominated in a currency which is not freely convertible at present. The PRC government continues to regulate conversion between the Renminbi and foreign currencies, including the Hong Kong dollar, despite the significant reduction over the years by the PRC government of control over routine foreign exchange transactions under current accounts such as payments for imported goods and salary payments. Participating banks in Hong Kong have been permitted to engage in the settlement of Renminbi trade transactions under a pilot scheme introduced in July 2009. This

represents a current account activity. The pilot scheme was extended in August 2011 to cover all provinces and cities in the PRC and to make Renminbi trade and other current account settlements available in all countries worldwide. The Renminbi trade settlements under the pilot scheme have become one of the most significant sources of Renminbi funding in Hong Kong.

Depending on the size and nature of the transaction, a foreign investor is required to obtain the approval of the Ministry of Commerce of the PRC ("**MOFCOM**") and the People's Bank of China ("**PBOC**") or their respective local counterparts for the purposes of capital account items, which include any establishment of a new enterprise, any increase in the registered capital of an existing enterprise, any acquisition of a PRC onshore entity and any extension of a loan.

On 7 April 2011, The State Administration of Foreign Exchange of the PRC ("**SAFE**") issued the Circular on Issues concerning Regulation of Cross-border CNY Capital Items Operations (the "**SAFE Circular**"), according to which the enterprise to be invested in is required to conduct registration with SAFE's local branch if the investment is to be made with offshore Renminbi. Also, approval from the competent approval authority is to be specified as a condition precedent to such registration.

On 13 October 2011, the PBOC promulgated the Administrative Measures on Renminbi Settlement for Foreign Direct Investment (the "**PBOC Measures**"), which was amended on 5 June 2015. The PBOC Measures provide instructions to banking institutions on the procedures for the remittance and settlement activities for Renminbi foreign direct investment ("**FDI**") into the PRC. According to the PBOC Measures, capital account items in the form of cross-border transfers of capital and direct investments are generally not subject to the approval of the PRC authorities provided that MOFCOM's prior written consent is obtained and the relevant registration and verification processes are completed prior to the remittance of capital.

On 19 November 2012, SAFE promulgated the Circular on Further Improving and Adjusting the Foreign Exchange Administration Policies on Direct Investment (the "**SAFE Circular on DI**"), which became effective on 17 December 2012 and was amended on 5 June 2015. According to the SAFE Circular on DI, the SAFE removes or adjusts certain administrative licensing items with regard to foreign exchange administration over direct investments to promote investment, including, but not limited to, the abrogation of SAFE approval for opening of and payment into foreign exchange accounts under direct investment accounts, the abrogation of SAFE approval for reinvestment with legal income generated within the PRC of foreign investors, the simplification of the administration of foreign exchange reinvestments by foreign investment companies, and the abrogation of SAFE approval for purchase and external payment of foreign exchange under direct investment accounts.

On 5 July 2013, the PBOC promulgated the Notice of the People's Bank of China on Streamlining Cross-border RMB Business Processes and Fine-tuning Relevant Policies ("**PBOC Notice**"). The PBOC Notice simplifies the operating procedures on current account cross-border RMB settlement and further publishes policies with respect to issuance of offshore RMB bonds by onshore non-financial institutions. The PBOC Notice intends to improve the efficiency of cross-border RMB settlement and facilitate the use of cross-border RMB settlement by banks and enterprises.

On 3 December 2013, MOFCOM promulgated the Circular on Issues in relation to Cross-border RMB Foreign Direct Investment (the "**MOFCOM Circular**"), which became effective on 1 January 2014, to further facilitate FDI by simplifying and streamlining the applicable regulatory framework. The MOFCOM Circular replaced the Notice on Issues in relation to Cross-border RMB Foreign Direct Investment promulgated by MOFCOM on 12 October 2011 (the "**2011 MOFCOM Notice**"). Pursuant to the MOFCOM Circular, written approval from the appropriate office of MOFCOM and/or its local counterparts specifying "Renminbi Foreign Direct Investment" and the amount of capital contribution is required for each FDI. Compared with the 2011 MOFCOM Notice, the MOFCOM Circular no longer contains the requirements for central-level MOFCOM approvals for investments of RMB300 million or above, or in certain industries, such as financial guarantee, financial leasing, microcredit, auction, foreign invested investment companies, venture capital and equity investment vehicles, cement, iron and steel, electrolyse aluminium, ship building and other industries under the state macroregulation. Unlike the 2011 MOFCOM Notice, the MOFCOM Circular also removes the approval requirement for foreign investors who intend to change the currency of their existing capital contribution from a foreign currency to RMB. In addition, the MOFCOM Circular also clearly prohibits FDI funds from being used for any investments in securities and financial derivatives (except for investments in the PRC listed companies by strategic investors) or for entrustment loans in the PRC.



On 13 February 2015, SAFE promulgated the Notice on Further Simplifying and Improving Foreign Exchange Administration Policy of Direct Investment (the "**2015 SAFE Notice**"), which became effective on 1 June 2015. Under the 2015 SAFE Notice, SAFE delegates the authority of approval/registration for direct investment (inbound and outbound) related matters to commercial banks. However, this 2015 SAFE Notice only applies to direct investment activities in foreign currency, and whether and how it would affect the Renminbi direct investment regime is currently unknown.

Subject to obtaining all necessary approvals from and registration with the relevant PRC government authorities, the Issuer may decide to remit the proceeds into China in Renminbi. However, there is no assurance that the necessary approvals from and registration with the relevant PRC government authorities will be obtained on a timely basis, or at all or, if obtained, they will not be revoked or amended in the future.

As the above measures and circulars are relatively new promulgations, they will be subject to interpretation and application by the relevant PRC authorities.

The reforms which are being introduced and will be introduced in the Shanghai Free Trade Zone (the "**Shanghai FTZ**") aim to upgrade cross-border trade, liberalise foreign exchange control, improve convenient cross-border use of RMB and promote the internationalisation of RMB. However, given the nascent stage of development of the Shanghai FTZ, how the reforms will be implemented and whether (and if so when) the reforms will be rolled out throughout the PRC remain uncertain.

There is no assurance that the PRC government will continue to gradually liberalise the control over cross-border Renminbi remittances in the future, that the pilot scheme introduced in July 2009 will not be discontinued, or that new PRC regulations will not be promulgated in the future, which have the effect of restricting or eliminating the remittance of Renminbi into or outside China.

If the specified currency of the Notes is Renminbi, the Issuer will be required to source Renminbi outside of the PRC to finance its obligations under the Notes, and the Issuer's ability to do so will be subject to the overall availability of Renminbi outside the PRC. If it becomes impossible to convert Renminbi from/to another freely convertible currency, or transfer Renminbi between accounts in Hong Kong, or the general Renminbi exchange market in Hong Kong becomes illiquid, any payment of Renminbi under the Notes may be delayed or the Issuer may make such payments in US dollars at the prevailing spot exchange rate.

There is only limited availability of Renminbi outside China, which may affect the liquidity of Notes denominated in Renminbi and the Issuer's ability to source Renminbi outside China to service the Notes

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside of China is limited.

Currently, licensed banks in Hong Kong and Singapore may offer limited RMB-denominated banking services to Hong Kong residents and Singapore residents and designated business customers. The PBOC has also established Renminbi clearing and settlement systems with financial institutions in other major global financial centres (each a "**RMB Clearing Bank**"), including London, Frankfurt, Singapore and Korea to further internationalise the Renminbi.

However, the current size of Renminbi-denominated financial assets outside China is limited. As of 31 March 2016, the total amount of Renminbi deposit held by institutions authorised to engage in Renminbi banking business in Hong Kong amounted to approximately CNY 759 billion. Renminbi business participating banks do not have direct Renminbi liquidity support from the PBOC. The Renminbi Clearing Bank only has access to onshore liquidity support from the PBOC through the China Foreign Exchange Trading System in Shanghai to square open positions of participating banks for limited types of transactions and is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, the participating banks will need to source Renminbi from the offshore market to square such open positions. There is no assurance that existing measures put in place by the PRC government, or changes to those measures, will not adversely affect the amount of Renminbi available outside the PRC, or that such amounts will be sufficient to satisfy liquidity requirements.

On 14 June 2012, the Hong Kong Monetary Authority (the "**HKMA**") introduced a facility for providing RMB liquidity to authorised institutions participating in RMB business ("**Participating AIs**") in Hong Kong. The facility will make use of the currency swap arrangement between the PBOC and the HKMA. With effect from 15 June 2012, the HKMA will, in response to requests from individual Participating AIs, provide RMB term funds to the Participating AIs against eligible collateral acceptable to the HKMA. The facility is

intended to address short-term RMB liquidity tightness which may arise from time to time, for example due to capital market activities or a sudden need for RMB liquidity by the Participating AIs' overseas bank customers. On 15 January 2013, the HKMA further enhanced the facility by reducing the notice period required for Participating AIs to request for RMB from two business days to one business day. Additional enhancements were announced on 25 July 2013 by the provision of one-day funds, available on the next day, which will continue to make use of the currency swap arrangement between the PBOC and the HKMA; and overnight funds, available on the same day, which will make use of the HKMA's own source of RMB funds in the offshore market. Starting from 10 November 2014, participating AIs may initiate a sale and repurchase (repo) transaction with the HKMA to obtain intraday RMB funds.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or clearing and settlement systems will not be terminated or amended in the future, which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside China may affect the liquidity of the Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service the Notes, there is no assurance that it will be able to source such Renminbi on satisfactory terms, if at all.

***Investment in the Notes is subject to exchange rate risks***

The value of the Renminbi against the U.S. dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. In addition, although the Issuer's primary obligation is to make all payments of interest and principal with respect to the Notes in Renminbi, in the event access to Renminbi deliverable in Hong Kong becomes restricted to the extent that, by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is unable, or it is impracticable for it, to make payments in Renminbi in Hong Kong, the terms of the Notes allow the Issuer to make payments in U.S. dollars at the prevailing spot rate of exchange, all as provided for in more detail in the Terms and Conditions of the Notes. As a result, the value of these Renminbi payments may vary with the prevailing exchange rates in the marketplace. If the value of the Renminbi depreciates against the USD or other foreign currencies, the value of a Noteholder's investment in USD or other applicable foreign currency terms will decline.

***Investment in the Notes is subject to interest rate risks***

The PRC government has gradually liberalised the regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. If the Notes carry a fixed interest rate, the market price of the Notes may vary with the fluctuations in the Renminbi interest rates. If an investor sells the Notes before their maturity, it may receive an offer that is less than the original amount invested.

***Payments in respect of the Notes will only be made to investors in the manner specified in the Notes***

All payments to Noteholders of interests in respect of the Notes will be made solely by (i) when the Notes are represented by the Global Note, transfer to a Renminbi bank account maintained in Hong Kong, in accordance with prevailing rules and procedures of the relevant Clearing System, or (ii) when the Notes are in definitive registered form, transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. Neither the Issuer nor the Fiscal Agent, nor the Paying Agent can be required to make payment by any other means (including in bank notes, by cheque or draft, or by transfer to a bank account in the PRC).

***An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes***

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

***Risk of change in Government Support and Regulatory Regime***

Renminbi Notes issuance is subject to laws and regulations of the relevant Renminbi settlement centre(s). The PRC's Government currently views Hong Kong as one of the key offshore Renminbi-denominated debt instrument centres and has established a cooperative relationship with Hong Kong's local government to develop the Renminbi-denominated debt instrument market. There can be no assurance that the PRC's Government will continue to encourage issuance of RMB-denominated debt instruments outside of mainland China and any change in the PRC Government's policy or the regulatory regime governing the issuance of Renminbi-denominated debt instruments may adversely affect the Renminbi Notes.

## GENERAL DESCRIPTION OF THE PROGRAMME

Under the EUR 2,000,000,000 Debt Issuance Programme (the "**Programme**"), Otto (GmbH & Co KG) (the "**Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue notes (the "**Notes**") to one or more of the following Dealers: Bayerische Landesbank; Joh. Berenberg, Gossler & Co. KG, Niederlassung Frankfurt; BNP Paribas; Commerzbank Aktiengesellschaft; Deutsche Bank Aktiengesellschaft; DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main and any additional Dealer appointed under the Programme from time to time by the Issuer, which appointment may be for a specific issue or on an ongoing basis (together, the "**Dealers**").

The aggregate principal amount of Notes outstanding will not at any time exceed EUR 2,000,000,000 (or the equivalent in other currencies) (the "**Programme Amount**"). The Issuer may increase the Programme Amount in accordance with the terms of the Dealer Agreement (as defined below) from time to time.

Notes issued under the Programme may be issued either: (1) pursuant to this Base Prospectus and associated Final Terms; or (2) in relation to Notes not publicly offered in any member state of the European Economic Area in such form as agreed between the Issuer, the relevant Dealer(s) and, if relevant for the Fiscal Agent (as defined below), the Fiscal Agent.

Deutsche Bank AG, London Branch acts as arranger in respect of the Programme (the "**Arranger**").

Deutsche Bank Aktiengesellschaft will act as fiscal agent (the "**Fiscal Agent**") and paying agent (the "**Paying Agent**"). Deutsche Bank Luxembourg S.A. will act as Luxembourg listing agent (the "**Luxembourg Listing Agent**").

The Notes will be issued in series (each a "**Series**"). Each Series may be issued in tranches (each a "**Tranche**") being intended to be interchangeable with all other Notes of the same Series issued on the same or different issue dates. The specific terms of each Tranche issued under this Base Prospectus (which, save in respect of the issue date, issue price, first payment of interest and principal amount of the Tranche, will be identical to the terms of all other Tranches of the same Series) will be set out in the relevant final terms for such Tranche (the "**Final Terms**").

Notes may be distributed by way of public offer or private placements and, in each case, on a syndicated or non-syndicated basis. The method of distribution of each Tranche will be stated in the relevant Final Terms. The Notes may be offered to qualified and non-qualified investors.

The Commission de Surveillance du Secteur Financier (the "**CSSF**") of the Grand Duchy of Luxembourg in its capacity as competent authority (the "**Competent Authority**") under the Prospectus Directive has approved this Base Prospectus as a base prospectus within the meaning of Art. 5(4) of the Prospectus Directive pursuant to article 7 of the Luxembourg Prospectus Law. By approving this Base Prospectus, CSSF gives no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer pursuant to article 7 (7) of the Luxembourg act relating to prospectuses for securities (*loi relative aux prospectus pour valeurs mobilières*).

Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme for the period of twelve months from the date of the publication of this Base Prospectus to be listed on the official list of the Luxembourg Stock Exchange and to be admitted to trading on the Euro MTF of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's Euro MTF is a multilateral trading facility for the purposes of the Investment Services Directive 2004/39/EC and, therefore, not a EU-regulated market. Notes issued under the Programme may also not be listed at all.

The Notes may be offered to the public in the Grand Duchy of Luxembourg ("**Luxembourg**"), the Federal Republic of Germany ("**Germany**"), the Republic of Austria ("**Austria**") and The Netherlands as indicated in the relevant Final Terms. The Issuer has requested the CSSF in its capacity as Competent Authority to provide the competent authorities in Germany, Austria and The Netherlands with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Luxembourg Prospectus Law (the "**Notification**"). The Issuer may request the CSSF in its capacity as Competent Authority to provide competent authorities in host Member States within the European Economic Area with a Notification.

The offer and distribution of any Notes of any Tranche in jurisdictions other than Luxembourg will be subject to selling restrictions, including those for the United States, the European Economic Area, the United

Kingdom, The Netherlands, Japan, The People's Republic of China, Hong Kong, Kingdom of Norway, Taiwan and Switzerland. See "Subscription and Sale" below.

Issuances of Notes under the Programme will be made pursuant to Category 1 for the purposes of Regulation S under the United States Securities Act of 1933, as amended.

The Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**").

Each Tranche of Notes will be represented on issue by a temporary global note (each a "**Temporary Global Note**"). Interests in a Temporary Global Note will be exchangeable, in whole or in part, for interest in a permanent global note (each a "**Permanent Global Note**") on or after the date 40 days after the later of the commencement of the offering and the relevant issue date (the "**Exchange Date**"), upon certification as to non-U.S. beneficial ownership. The Notes are intended to be held in a manner which would allow Eurosystem eligibility. Therefore, the Global Notes will be deposited on the issue date either (i) in classical global note form with Clearstream Banking AG, Frankfurt am Main or (ii) in new global note form with a common safekeeper for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system. It 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 applicable from time to time.

The Notes will be freely transferable in accordance with the rules and regulations of the relevant Clearing System.

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

Notes will be issued with such maturities as may be agreed between the Issuer and the relevant Dealer(s), subject to such minimum or maximum maturities as may be allowed or required from time to time by any laws, regulations and directives applicable to the Issuer or the relevant currency.

The principal amount of the Notes, the currency, the interest payable in respect of the Notes, if any, the issue price (which may be at par or at a discount to, or premium over, par) and maturities of the Notes which are applicable to a particular Series and, if applicable, Tranche will be set out in the relevant Final Terms.

Notes of any Tranche may be issued at a price (the "**Issue Price**") equal to their principal amount or at a discount or premium to their principal amount. The Issue Price for the Notes of any Tranche issued on a syndicated basis will be determined at the time of pricing on the basis of a yield which will be determined on the basis of the orders of the investors which are received by the Dealers during the offer period. Orders will specify a minimum yield and may only be confirmed at or above such yield.

The Notes issued under this Base Prospectus will be issued as fixed or floating rate Notes.

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

## ISSUE PROCEDURES

### **General**

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

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

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

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

### **Documentation of the Conditions**

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

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

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

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

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

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

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

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

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

**Language of the Conditions**

As to the language of the respective Terms and Conditions the Issuer may elect to draft the Conditions either in the German language with an English translation, with German being the controlling language, or in the English language only.

## TERMS AND CONDITIONS OF THE NOTES

### Anleihebedingungen der Schuldverschreibungen

#### Deutsche Fassung der Anleihebedingungen

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

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

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

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

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

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

Im Fall, dass die Endgültigen Bedingungen, die für eine einzelne Emission anwendbar sind, nur auf die weiteren Optionen verweisen, die im Satz der Anleihebedingungen der Option I oder Option II enthalten sind, gilt folgendes:

Die Bestimmungen dieser Anleihebedingungen gelten für diese Schuldverschreibungen so, wie sie durch die Angaben der beigefügten endgültigen Bedingungen (die "**Endgültigen Bedingungen**") vervollständigt werden. Die Leerstellen in den auf die Schuldverschreibungen anwendbaren Bestimmungen dieser Anleihebedingungen gelten als durch die in den Endgültigen Bedingungen enthaltenen Angaben ausgefüllt, als ob die Leerstellen in den betreffenden Bestimmungen durch diese Angaben ausgefüllt wären; alternative oder wählbare Bestimmungen dieser Anleihebedingungen, deren Entsprechungen in den Endgültigen Bedingungen nicht ausgefüllt oder die gestrichen sind, gelten als aus diesen Anleihebedingungen gestrichen; sämtliche auf die Schuldverschreibungen nicht anwendbaren Bestimmungen dieser Anleihebedingungen (einschließlich der Anweisungen, Anmerkungen und der Texte in eckigen Klammern) gelten als aus diesen Anleihebedingungen gestrichen, so dass die Bestimmungen der Endgültigen Bedingungen Geltung erhalten. Kopien der Endgültigen Bedingungen sind kostenlos bei der bezeichneten Geschäftsstelle des Fiscal Agent erhältlich; bei nicht öffentlich angebotenen und nicht an einer Börse notierten Schuldverschreibungen sind Kopien der betreffenden Endgültigen Bedingungen allerdings ausschließlich für die Anleihegläubiger solcher Schuldverschreibungen erhältlich.

### Terms and Conditions of the Notes

#### English language version

The Terms and Conditions of the Notes (the "**Terms and Conditions**") are set forth below for two options:

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

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

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

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

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

The provisions of these Terms and Conditions apply to the Notes as completed by the terms of the final terms which are attached hereto (the "**Final Terms**"). The blanks in the provisions of these Terms and Conditions which are applicable to the Notes shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the blanks of such provisions; alternative or optional provisions of these Terms and Conditions as to which the corresponding provisions of the Final Terms are not completed or are deleted shall be deemed to be deleted from these Terms and Conditions; all provisions of these Terms and Conditions which are inapplicable to the Notes (including instructions, explanatory notes and text set out in square brackets) shall be deemed to be deleted from these Terms and Conditions, as required to give effect to the terms of the Final Terms. Copies of the Final Terms may be obtained free of charge at the specified office of the Fiscal Agent provided that, in the case of Notes which are not publicly offered and not listed on any stock exchange, copies of the relevant Final Terms will only be available to the Noteholders of such Notes.

In the case the Final Terms applicable to an individual issue only refer to the further options contained in the set of Terms and Conditions for Option I or Option II the following applies:



**OPTION I**  
**Anleihebedingungen für**  
**festverzinsliche Schuldverschreibungen**

**§ 1 Währung, Stückelung, Form**

- (a) *Währung; Stückelung.* Die Otto (GmbH & Co KG) (die "**Emittentin**") begibt Schuldverschreibungen (die "**Schuldverschreibungen**") in [*Festgelegte Währung*] (die "**Festgelegte Währung**") im Gesamtnennbetrag von [*Festgelegte Währung*] [*Betrag*], eingeteilt in Schuldverschreibungen im festgelegten Nennbetrag von je [*Festgelegte Währung*] [*Betrag*] (der "**Festgelegte Nennbetrag**").
- (b) *Form.* Die Schuldverschreibungen lauten auf den Inhaber.
- (c) *Vorläufige Globalurkunde – Austausch.* Die Schuldverschreibungen sind zunächst in einer vorläufigen Globalurkunde (die "**Vorläufige Globalurkunde**") ohne Zinsscheine verbrieft.

Die Vorläufige Globalurkunde wird insgesamt oder teilweise und unentgeltlich am oder nach dem Tag, der 40 Tage nach dem Tag der Begebung der Schuldverschreibungen, frühestens jedoch 40 Tage nach dem Tag des Beginns des Angebots liegt, gegen Nachweis über das Nichtbestehen wirtschaftlichen U.S.-Eigentums im Sinne des U.S.-Rechts (*non-U.S. beneficial ownership*) in der in der Vorläufigen Globalurkunde vorgesehenen Form, für den Inhaber von Schuldverschreibungen gegen eine dauerhafte Globalurkunde (die "**Dauer-Globalurkunde**") (die Vorläufige Globalurkunde und die Dauer-Globalurkunde jeweils auch eine "**Globalurkunde**") ohne Zinsscheine ausgetauscht. Ein Recht der Anleihegläubiger auf Ausgabe und Lieferung von Einzelurkunden oder Zinsscheinen besteht nicht.

- (d) *Clearingsystem.* Die Vorläufige Globalurkunde und die Dauer-Globalurkunde werden solange von einem Clearingsystem oder im Auftrag eines Clearingsystems verwahrt, bis sämtliche Verpflichtungen der Emittentin aus den Schuldverschreibungen erfüllt sind.

"Clearingsystem" bezeichnet [bei mehr als einem Clearing System gilt folgendes: jeweils]: [Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Bundesrepublik Deutschland ("**Clearstream, Frankfurt**") [,] [und] [Clearstream Banking, société anonyme, 42 Avenue JF Kennedy, 1855 Luxemburg, Großherzogtum Luxemburg, ("**Clearstream, Luxemburg**")] [und] [Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brussels, Belgien, ("**Euroclear**")] [(Clearstream, Luxemburg und Euroclear jeweils ein "**ICSD**" und zusammen die "**ICSDs**")] sowie jeder Funktionsnachfolger.

Die Vorläufige Globalurkunde und die Dauer-Globalurkunde tragen jeweils die eigenhändigen Unterschriften von zwei Vertretungsberechtigten der Emittentin sowie

**OPTION I**  
**Terms and Conditions that apply to**  
**Fixed Rate Notes**

**§ 1 Currency, Denomination, Form**

- (a) *Currency; Denomination.* The Notes are issued by Otto (GmbH & Co KG) (the "**Issuer**") in [*Specified Currency*] (the "**Specified Currency**"), in the aggregate principal amount of [*Specified Currency*] [*amount*], divided into notes in the specified denomination of [*Specified Currency*] [*amount*] (the "**Specified Denomination**") each (the "**Notes**").
- (b) *Form.* The Notes are issued in bearer form.
- (c) *Temporary Global Note – Exchange.* The Notes are initially represented by a temporary global note (the "**Temporary Global Note**") without interest coupons.

The Temporary Global Note will be exchangeable, in whole or in part and free of charge to the holder of Notes, on or after the day that is 40 days after the later of the commencement of the offering and the date of issue of the Notes for a permanent global note (the "**Permanent Global Note**") (the Temporary Global Note and the Permanent Global Note, each a "**Global Note**") without interest coupons upon certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Note. The right of the Noteholders to require the issue and delivery of definitive notes or interest coupons is excluded.

- (d) *Clearing System.* Each of the Temporary Global Note and the Permanent Global Note will be held in custody by or on behalf of a Clearing System until all obligations of the Issuer under the Notes have been satisfied.

"Clearing System" means [if more than one Clearing System the following applies: each of]: [Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Federal Republic of Germany ("**Clearstream, Frankfurt**") [,] [and] [Clearstream Banking, société anonyme, 42 Avenue JF Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg, ("**Clearstream, Luxemburg**")] [and] [Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brussels, Belgium, ("**Euroclear**")] [(Clearstream, Luxemburg and Euroclear each an "**ICSD**" and together the "**ICSDs**")] and any successor in such capacity.

The Temporary Global Note and the Permanent Global Note shall each bear the manual signatures of two duly authorised officers of the Issuer as well as the manual signature of an

**Im Fall von Schuldverschreibungen, die in Form**

**In the case of Notes intended to be issued in the Classical**

einer Classical Global Note ausgegeben werden, gilt folgendes:

Im Fall von Schuldverschreibungen, die in Form einer New Global Note ausgegeben werden, gilt folgendes:

die eigenhändige Unterschrift eines Kontrollbeauftragten des Fiscal Agent.

Die Schuldverschreibungen werden in Form einer New Global Note ("NGN") ausgegeben und von einem gemeinsamen Wertpapierverwahrer (*common safekeeper*) im Namen beider ICSDs verwahrt.

Der Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind schlüssiger Nachweis über den Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen, und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bestätigung mit dem Nennbetrag der so verbrieften Schuldverschreibungen ist ein schlüssiger Nachweis über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt.

Bei Rückzahlung oder einer Zinszahlung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen bzw. bei Kauf und Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten über Rückzahlung, Zahlung bzw. Kauf und Entwertung bezüglich der Globalurkunde *pro rata* in die Register der ICSDs eingetragen werden und dass nach dieser Eintragung vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtnennbetrag der zurückgezahlten bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.

Bei Austausch eines Anteils von ausschließlich durch eine Vorläufige Globalurkunde verbrieften Schuldverschreibungen wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Aufzeichnungen der ICSDs aufgenommen werden.

Die Vorläufige Globalurkunde und die Dauer-Globalurkunde tragen jeweils die eigenhändigen Unterschriften von zwei Vertretungsberechtigten der Emittentin sowie die eigenhändige Unterschrift eines Kontrollbeauftragten des Fiscal Agent und die eigenhändige Unterschrift eines bevollmächtigten Vertreters des gemeinsamen Wertpapierverwahrers.

- (e) *Anleihegläubiger*. Den Inhabern von Schuldverschreibungen ("**Anleihegläubiger**") stehen Miteigentumsanteile an der Globalurkunde zu, die gemäß anwendbarem Recht und den Bestimmungen und Regeln des Clearingsystems übertragen werden können.

authentication officer of the Fiscal Agent.

The Notes are issued in new global note ("NGN") form and are kept in custody by a common safekeeper on behalf of both ICSDs.

The aggregate principal amount of Notes represented by the Global Note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customers' interest in the Notes) shall be conclusive evidence of the aggregate principal amount of Notes represented by the Global Note and, for these purposes, a statement issued by an ICSD stating the principal amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or payment of interest being made in respect of, or purchase and cancellation of, any of the Notes represented by the Global Note the Issuer shall procure that details of such redemption, payment or purchase and cancellation (as the case may be) in respect of the Global Note shall be entered *pro rata* in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Notes recorded in the records of the ICSDs and represented by the Global Note shall be reduced by the aggregate principal amount of the Notes so redeemed or purchased and cancelled.

On an exchange of a portion only of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered *pro rata* in the records of the ICSDs.

The Temporary Global Note and the Permanent Global Note shall each bear the manual signatures of two duly authorised officers of the Issuer as well as the manual signature of an authentication officer of the Fiscal Agent and the manual signature of an authorised officer of the common safekeeper.

- (e) *Noteholders*. The holders of Notes ("**Noteholders**") are entitled to co-ownership participations in the Global Note, which are transferable in accordance with applicable laws and the rules and regulations of the Clearing System.

Global Note form, the following applies:

In the case of Notes intended to be issued in the New Global Note form, the following applies:

## § 2 Status und Negativerklärung

- (a) *Status.* Die Schuldverschreibungen begründen unmittelbare, unbedingte, nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen gegenwärtigen und zukünftigen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, soweit diesen Verbindlichkeiten nicht durch zwingende gesetzliche Bestimmungen ein Vorrang eingeräumt wird.
- (b) *Negativerklärung.* Solange die Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen dem Clearing System zur Verfügung gestellt worden sind, verpflichtet sich die Emittentin und stellt für ihre Wesentlichen Tochtergesellschaften (wie nachstehend definiert) sicher, keine Kapitalmarktverbindlichkeiten (einschließlich dafür gegebener Garantien oder Gewährleistungen) durch Belastung ihres gegenwärtigen oder zukünftigen Vermögens bzw. des Vermögens einer Wesentlichen Tochtergesellschaft zu besichern oder eine solche Besicherung bestehen zu lassen (ausgenommen zugelassene Sicherheiten (wie nachstehend definiert)), ohne entweder die Anleihegläubiger zur gleichen Zeit und im gleichen Rang an solchen Sicherheiten teilnehmen zu lassen oder den Anleihegläubigern eine andere Sicherheit zu bestellen, die von einem unabhängigen Sachverständigen als gleichwertige Sicherheit anerkannt wird.

**"Kapitalmarktverbindlichkeit"** bezeichnet jede Verbindlichkeit zur Zahlung aufgenommener Geldbeträge, die durch Schuldverschreibungen oder sonstige Wertpapiere, die an einer Börse oder einem anderen Wertpapiermarkt (einschließlich des außerbörslichen Handels) notiert oder gehandelt werden oder werden könnten, verbrieft oder verkörpert sind sowie Schuldscheindarlehen. Nur zum Zweck dieses Absatzes gelten Verbindlichkeiten aus der Begebung von Asset-backed Schuldverschreibungen, bei denen die Rückgriffsmöglichkeit eines Gläubigers solcher Schuldverschreibungen auf bestimmte Vermögenswerte oder andere Wertpapiere, die die Schuldverschreibungen besichern, begrenzt ist, nicht als Kapitalmarktverbindlichkeiten.

**"Zugelassene Sicherheiten"** sind

- (i) Sicherheiten, die kraft Gesetzes eingeräumt sind;
- (ii) Sicherheiten für Kapitalmarktverbindlichkeiten, die am Tag der Begebung der Schuldverschreibungen bereits bestehen, solange sie diese Kapitalmarktverbindlichkeiten besichern, sowie künftige diese bestehenden Sicherheiten ersetzende andere Sicherheiten bis zur gleichen Höhe, jedoch nur soweit und solange sie der Besicherung der bestehenden Kapitalmarktverbindlichkeiten dienen;

## § 2 Status and Negative Pledge

- (a) *Status.* The obligations under the Notes constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer ranking *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, present or future, except for any obligations preferred by mandatory provisions of law.
- (b) *Negative pledge.* So long as any of the Notes remains outstanding, but only until all amounts of principal and interest have been made available to the Clearing System, the Issuer undertakes, and shall procure in respect of its Material Subsidiaries (as defined below) neither to create nor permit to subsist any lien or other security interest (other than any Permitted Security (as defined below)) upon any of its or any of its Material Subsidiaries' present or future assets to secure any Capital Markets Indebtedness (including any guarantees or indemnities in respect thereof), without at the same time according to the Noteholders equally and rateably the same security interest or such other security as will be recognised by an independent expert as being an equal security.

**"Capital Markets Indebtedness"** means any obligation for the payment of borrowed monies which is in the form of, or represented by, bonds, notes, debentures or similar security, which are or are capable of being listed or traded on a stock exchange or other security market (including any over-the-counter market), as well as assignable loans (*Schuldscheindarlehen*). For the purposes of this subparagraph only, any indebtedness resulting from any issue of asset-backed securities under which the recourse of any holder of such securities is limited to certain assets or other securities securing those securities, shall not constitute a Capital Market Indebtedness.

**"Permitted Security"** means

- (i) any security arising by operation of law,
- (ii) any security on Capital Market Indebtedness existing on the date of issue of the Notes as long as such security is given in relation to such Capital Market Indebtedness and any other future security replacing such existing security up to the original amount thereof, but only to the extent such security is given in relation to the existing Capital Market Indebtedness,

und

- (iii) Sicherheiten, die bei der Finanzierung von Investitionen / Akquisitionen an diesen Investitions- bzw. Akquisitionsobjekten bestellt werden.

"**Wesentliche Tochtergesellschaft**" bezeichnet (i) jede nach den International Financial Reporting Standards (IFRS) oder dem jeweils angewendeten Bilanzierungsstandard konsolidierte Tochtergesellschaft der Emittentin, deren Nettoumsatz bzw. deren Vermögenswerte gemäß ihres letzten geprüften, nicht konsolidierten Jahresabschlusses (bzw., wenn die betreffende Tochtergesellschaft selbst Konzernabschlüsse erstellt, deren konsolidierter Umsatz bzw. deren konsolidierte Vermögenswerte gemäß ihres letzten geprüften Konzernabschlusses), der für die Erstellung des letzten geprüften Konzernabschlusses der Emittentin genutzt wurde, mindestens 10% des konsolidierten Gesamtumsatzes und/oder 10% der konsolidierten Vermögenswerte der Emittentin und ihrer konsolidierten Tochtergesellschaften betragen hat oder (ii) eine Tochtergesellschaft, auf die der gesamte oder im Wesentlichen gesamte Betrieb und Vermögenswerte von einer Wesentlichen Tochtergesellschaft übertragen wurde.

"**Tochtergesellschaft**" bezeichnet jede Gesellschaft, an der die Emittentin direkt oder indirekt mehrheitlich beteiligt ist.

**§ 3 Zinsen**

- (a) *Zinssatz und Zinszahlungstage.* Die Schuldverschreibungen werden bezogen auf ihren ausstehenden Nennbetrag ab dem [Verzinsungsbeginn einfügen] (der "**Verzinsungsbeginn**") (einschließlich) bis zum Endfälligkeitstag (ausschließlich) verzinst.

Die Schuldverschreibungen werden mit jährlich [Zinssatz einfügen]% verzinst. Die Zinsen sind nachträglich an jedem Zinszahlungstag zahlbar.

"**Zinszahlungstag**" bezeichnet [Zinszahlungstag(e) einfügen] eines jeden Jahres, erstmals den [ersten Zinszahlungstag einfügen].

Die erste Zinszahlung beläuft sich auf [anfänglichen Bruchteilzinsbetrag je Festgelegtem Nennbetrag einfügen] je Festgelegtem Nennbetrag.

Die Zinsen für den Zeitraum ab dem [den letzten dem Endfälligkeitstag vorausgehenden Zinszahlungstag einfügen] (einschließlich) bis zum Endfälligkeitstag (ausschließlich) belaufen sich auf [abschließenden Bruchteilzinsbetrag je Festgelegtem Nennbetrag einfügen] je Festgelegtem Nennbetrag und sind nachträglich

and

- (iii) any security given upon any investment or acquisition object with a view to secure the financing of such investment or acquisition.

"**Material Subsidiary**" means (i) any Subsidiary of the Issuer consolidated in accordance with the International Financial Reporting Standards (IFRS) or any other relevant accounting standards applicable to the Issuer, whose net revenues or total assets pursuant to its most recent audited non-consolidated financial statements (or, if the relevant Subsidiary itself prepares its own consolidated financial statements, whose consolidated net revenues or consolidated total assets pursuant to its most recent audited consolidated financial statements), which was used for the preparation of the most recent audited consolidated financial statements of the Issuer amounts to at least 10% of the consolidated total net revenues and/or 10% of the consolidated total assets of the Issuer and its consolidated Subsidiaries or (ii) any Subsidiary to whom the total of or substantially all of the business and assets of a Material Subsidiary was transferred.

"**Subsidiary**" means an entity in which the Issuer holds directly or indirectly a majority interest.

**§ 3 Interest**

- (a) *Rate of interest and Interest Payment Dates.* The Notes bear interest on their outstanding principal amount from and including [insert Interest Commencement Date] (the "**Interest Commencement Date**") to but excluding the Maturity Date.

The Notes bear interest at the rate of [insert rate of interest] per cent. per annum, such interest being payable in arrear on each Interest Payment Date.

"**Interest Payment Date**" means [insert Interest Payment Date(s)] in each year, commencing on [insert first Interest Payment Date].

The first payment of interest will amount to [insert initial Broken Interest Amount per Specified Denomination] per Specified Denomination.

Interest in respect of the period from and including [insert Interest Payment Date preceding the Maturity Date] to but excluding the Maturity Date will amount to [insert final Broken Interest Amount per Specified Denomination] per Specified Denomination, such interest being payable in arrear on the

Sofern der erste Zinszahlungstag nicht der erste Jahrestag des Verzinsungsbeginns ist, gilt folgendes:

Sofern der Endfälligkeitstag kein Zinszahlungstag ist, gilt folgendes:

If the first Interest Payment Date is not first anniversary of Interest Commencement Date, the following applies:

If the Maturity Date is not an Interest Payment Date, the following

am Endfälligkeitstag zahlbar.

- (b) *Berechnung der Zinsen für Teile von Zeiträumen.* Sofern Zinsen für einen Zeitraum von weniger als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachstehend definiert), es sei denn, für den betreffenden Zeitraum ist ein Bruchteilszinsbetrag festgelegt.

**"Zinstagequotient"** bezeichnet bei der Berechnung des Zinsbetrages für einen beliebigen Zeitraum (ab dem ersten Tag dieses Zeitraums (einschließlich) bis zum letzten Tag dieses Zeitraums (ausschließlich)) (der **"Zinsberechnungszeitraum"**):

- (i) wenn der Zinsberechnungszeitraum der Feststellungsperiode entspricht, in die er fällt, oder kürzer als diese ist, die Anzahl von Tagen in dem Zinsberechnungszeitraum dividiert durch das Produkt aus (A) der Anzahl von Tagen in der betreffenden Feststellungsperiode und (B) der Anzahl der Feststellungsperioden, die üblicherweise in einem Jahr enden; und
- (ii) wenn der Zinsberechnungszeitraum länger als eine Feststellungsperiode ist, die Summe aus
- (A) der Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in der der Zinsberechnungszeitraum beginnt, dividiert durch das Produkt aus (1) der Anzahl der Tage in der betreffenden Feststellungsperiode und (2) der Anzahl der Feststellungsperioden, die üblicherweise in einem Jahr enden; und
- (B) die Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum, die in die nachfolgende Feststellungsperiode fallen, dividiert durch das Produkt aus (1) der Anzahl der Tage in der betreffenden Feststellungsperiode und (2) der Anzahl der Feststellungsperioden, die üblicherweise in einem Jahr enden.

Dabei gilt folgendes:

**"Feststellungstermin"** bezeichnet jeden [Feststellungstermin(e) einfügen];

**"Feststellungsperiode"** bezeichnet jeden Zeitraum ab einem Feststellungstermin (einschließlich), der in ein beliebiges Jahr fällt, bis zum nächsten Feststellungstermin (ausschließlich).

Maturity Date.

- (b) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below), unless a broken interest amount has been fixed for such period.

**"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 day of such period) (the **"Calculation Period"**):

- (i) 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 (A) the number of days in such Determination Period and (B) the number of Determination Periods normally ending in any year; and
- (ii) if the Calculation Period is longer than one Determination Period, the sum of:
- (A) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
- (B) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

Where:

**"Determination Date"** means each [insert Determination Date(s)];

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

applies:

If "Actual / Actual (ICMA)" applies, the following applies:

Wenn die "Actual / Actual (ICMA)" Methode anwendbar ist, gilt folgendes:

<p>Wenn die "Actual / Actual (ISDA)" Methode anwendbar ist, gilt folgendes:</p>	<p>die tatsächliche Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 365 (oder, falls ein Teil dieses Zinsberechnungszeitraumes in ein Schaltjahr fällt, die Summe aus (A) der tatsächlichen Anzahl der Tage in dem Teil des Zinsberechnungszeitraums, die in das Schaltjahr fallen, dividiert durch 366 und (B) die tatsächliche Anzahl der Tage in dem Teil des Zinsberechnungszeitraums, die nicht in ein Schaltjahr fallen, dividiert durch 365).</p>	<p>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 not falling in a leap year divided by 365).</p>	<p>If "Actual / Actual (ISDA)" applies, the following applies:</p>
<p>Wenn die "Actual / 365 (Fixed)" Methode anwendbar ist, gilt folgendes:</p>	<p>die tatsächliche Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 365.</p>	<p>the actual number of days in the Calculation Period divided by 365.</p>	<p>If "Actual / 365 (Fixed)" applies, the following applies:</p>
<p>Wenn die "Actual / 360" Methode anwendbar ist, gilt folgendes:</p>	<p>die tatsächliche Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360.</p>	<p>the actual number of days in the Calculation Period divided by 360.</p>	<p>If "Actual / 360" applies, the following applies:</p>
<p>Wenn die "30 / 360" oder "360 / 360" oder Bond Basis Methode anwendbar ist, gilt folgendes:</p>	<p>die Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360, (wobei die Anzahl der Tage auf Grundlage eines Jahres von 360 Tagen mit 12 Monaten je 30 Tagen zu berechnen ist, (es sei denn, (A) der letzte Tag des Zinsberechnungszeitraums fällt auf den 31. Tag eines Monats, während der erste Tag des Zinsberechnungszeitraums weder auf den 30. noch auf den 31. Tag eines Monats fällt; in diesem Fall ist der Monat des letzten Tages des Zinsberechnungszeitraums nicht als ein auf 30 Tage gekürzter Monat zu behandeln; oder (B) der letzte Tag des Zinsberechnungszeitraums fällt auf den letzten Tag des Monats Februar; in diesem Fall ist der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln).</p>	<p>the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)).</p>	<p>If "30 / 360" or "360 / 360" or Bond Basis applies, the following applies:</p>
<p>Wenn die "30E / 360" oder "Eurobond Basis" Methode anwendbar ist, gilt folgendes:</p>	<p>die Anzahl der Tage im Zinsberechnungszeitraum, dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit 12 Monaten zu 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des Datums des ersten oder letzten Tages des Zinsberechnungszeitraumes).</p>	<p>the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period).</p>	<p>If "30E / 360" or "Eurobond Basis" applies, the following applies:</p>
<p>(c)</p>	<p><i>Auflaufende Zinsen.</i> Die Verzinsung der Schuldverschreibungen endet mit Ablauf des Tages, der dem Tag vorangeht, an dem sie zur Rückzahlung fällig sind. Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, fallen auf den ausstehenden Nennbetrag der Schuldverschreibungen ab dem Fälligkeitstag (einschließlich) bis zum Tag der tatsächlichen Rückzahlung (ausschließlich) Zinsen zum gesetzlich festgelegten Satz für Verzugszinsen gemäß §§ 288 Abs. 1, 247 Bürgerliches Gesetzbuch an.</p>	<p>(c) <i>Accrual of Interest.</i> The Notes shall cease to bear interest as from the expiry of the day preceding the day on which they are due for redemption. If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding principal amount of the Notes beyond the due date until the actual redemption of the Notes at the default rate of interest established by law pursuant to §§ 288 para. 1, 247 German Civil Code (<i>Bürgerliches Gesetzbuch</i>).</p>	
<p>§ 4</p>	<p><b>Rückzahlung</b></p> <p>(a) <i>Rückzahlung bei Endfälligkeit.</i> Soweit nicht zuvor bereits insgesamt oder teilweise zurückgezahlt oder angekauft und eingezogen,</p>	<p>§ 4</p> <p><b>Redemption</b></p> <p>(a) <i>Redemption at maturity.</i> To the extent not previously redeemed in whole or in part, or purchased and cancelled, the Notes shall be</p>	

werden die Schuldverschreibungen zu ihrem festgelegten Nennbetrag an dem [Endfälligkeitstag einfügen] (der "Endfälligkeitstag") zurückgezahlt.

(b) *Vorzeitige Rückzahlung aus Steuergründen.*

Sofern nach der Begebung der Schuldverschreibungen die Emittentin aufgrund einer an oder nach dem Tag, an dem die Begebung der ersten Tranche der Schuldverschreibungen vereinbart wird, in Kraft tretenden Gesetzesänderung (oder einer Änderung von darunter erlassenen Bestimmungen und Vorschriften) der Bundesrepublik Deutschland oder einer zur Erhebung von Steuern berechtigten Gebietskörperschaft oder Behörde der Bundesrepublik Deutschland, oder als Folge einer Änderung der offiziellen Auslegung oder Anwendung dieser Gesetze, Bestimmungen oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht, eine Regierungsstelle oder eine Aufsichtsbehörde (einschließlich des Erlasses von Gesetzen sowie der Bekanntmachung gerichtlicher oder aufsichtsrechtlicher Entscheidungen) verpflichtet ist oder verpflichtet sein wird, Zusätzliche Beträge gemäß § 6 auf die Schuldverschreibungen zu zahlen, und die Emittentin diese Verpflichtung nicht abwenden kann, indem sie zumutbare Maßnahmen ergreift, die sie nach Treu und Glauben für angemessen hält, ist die Emittentin berechtigt, die Schuldverschreibungen jederzeit (insgesamt, jedoch nicht nur teilweise) durch Erklärung gemäß § 4[(e)][(f)] unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen zu kündigen. Die Emittentin ist verpflichtet, jede Schuldverschreibung an dem in der Bekanntmachung festgelegten Kündigungstag zu ihrem festgelegten Nennbetrag zuzüglich aufgelaufener Zinsen zurückzuzahlen.

Eine solche Kündigung darf nicht früher als 90 Tage vor dem Tag erfolgen, an dem die Emittentin erstmals verpflichtet wäre, Zusätzliche Beträge (wie in § 6 definiert) zu zahlen.

[(c)] *[Keine vorzeitige Rückzahlung nach Wahl der Emittentin] [Vorzeitige Rückzahlung nach Wahl der Emittentin zum festgelegten Nennbetrag].*

redeemed at their Specified Denomination on [insert Maturity Date] (the "Maturity Date").

(b) *Early redemption for tax reasons.*

If at any time after the issue of the Notes the Issuer has or will become obliged to pay Additional Amounts pursuant to § 6 on the Notes, as a result of any change in, or amendment to, the laws (or any rules or regulations thereunder) of the Federal Republic of Germany or any political subdivision or any authority of or in the Federal Republic of Germany having power to tax, or as a result of any change in, or amendment to, the official interpretation or application of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination), which change or amendment becomes effective on or after the date on which agreement was reached to issue the first tranche of the Notes, and that obligation cannot be avoided by the Issuer taking such reasonable measures it (acting in good faith) deems appropriate, the Issuer may call and redeem the Notes (in whole but not in part) at any time on giving not less than 30 nor more than 60 days' notice in accordance with § 4[(e)][(f)]. The Issuer shall redeem each Note at its Specified Denomination together with accrued interest on the redemption date specified in the notice.

No such notice may be given earlier than 90 days prior to the earliest date on which the Issuer would be for the first time obliged to pay the Additional Amounts (as defined in § 6).

[(c)] *[No early redemption at the option of the Issuer] [Early redemption at the option of the Issuer at Specified Denomination].*

Falls die Emittentin kein Recht hat, die Schuldverschreibungen nach § 4(c) vorzeitig zurückzuzahlen, gilt folgendes:

Die Emittentin ist nicht berechtigt, die Schuldverschreibungen vor dem Endfälligkeitstag zurückzuzahlen, außer nach Maßgabe von § 4(b) und § 4(d).

Falls die Emittentin das Recht hat, die Schuldver-

Die Emittentin ist berechtigt, die Schuldverschreibungen an dem/ den Call-Rückzahlungstag(en) (insgesamt, jedoch nicht nur teilweise) durch Erklärung gemäß

The Issuer is not entitled to call the Notes prior to the Maturity Date, otherwise than provided in § 4(b) and § 4(d).

The Issuer may call and redeem the Notes (in whole but not in part) on the Call Redemption Date(s) on giving not less than 30 nor more than 60 days' notice in accordance with

If Notes are not subject to early redemption pursuant to § 4(c), the following applies:

If Notes are subject to early redemption at the option

schreibungen nach eigener Wahl zum Festgelegten Nennbetrag vorzeitig zurückzahlen, gilt folgendes:

§ 4[(e)][(f)] unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen zu kündigen. Die Emittentin ist verpflichtet, jede Schuldverschreibung an dem Call-Rückzahlungstag zu ihrem Festgelegten Nennbetrag zuzüglich aufgelaufener Zinsen zurückzahlen.

#### Call-Rückzahlungstag[(e)]

[Call-Rückzahlungstag[(e)] einfügen]

[(c)][(d)][Vorzeitige Rückzahlung nach Wahl der Emittentin zum Vorzeitigen Rückzahlungsbetrag].

Falls die Emittentin das Recht hat, die Schuldverschreibungen nach eigener Wahl vorzeitig zum Vorzeitigen Rückzahlungsbetrag zurückzahlen, gilt folgendes:

Die Emittentin ist berechtigt, die Schuldverschreibungen an von ihr bestimmten Terminen (jeweils ein "Call-Rückzahlungstag") (insgesamt, jedoch nicht nur teilweise) zum Vorzeitigen Rückzahlungsbetrag durch Erklärung gemäß § 4[(e)][(f)] unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen zu kündigen.

Der vorzeitige Rückzahlungsbetrag der Schuldverschreibungen entspricht (i) dem Festgelegten Nennbetrag zuzüglich etwaiger bis zu dem Call-Rückzahlungstag (ausschließlich) aufgelaufenen Zinsen oder, falls höher, (ii) dem Abgezinsten Marktwert der Schuldverschreibungen.

Der "Abgezinsten Marktwert" einer Schuldverschreibung wird von der Berechnungsstelle errechnet und entspricht dem abgezinsten Wert der Summe des Festgelegten Nennbetrages der Schuldverschreibung und der verbleibenden Zinszahlungen bis zum [Endfälligkeitstag einfügen]. Der abgezinsten Wert wird von der Berechnungsstelle errechnet, indem der Festgelegte Nennbetrag der Schuldverschreibung und die verbleibenden Zinszahlungen bis zum [Endfälligkeitstag einfügen] auf einer jährlichen Basis, bei Annahme eines 365-Tage Jahres bzw. eines 366-Tage Jahres und der tatsächlichen Anzahl von Tagen, die in einem solchen Jahr abgelaufen sind, unter Anwendung der Vergleichbaren Benchmark Rendite zuzüglich [Prozentsatz einfügen]% auf den Call-Rückzahlungstag abgezinst werden.

"Berechnungsstelle" bezeichnet [Namen der Berechnungsstelle einfügen].

Die "Vergleichbare Benchmark Rendite" bezeichnet die am Rückzahlungsberechnungstag bestehende Rendite der entsprechenden [einfügen: [Euro-Referenz-Anleihe der Bundesrepublik Deutschland] [durch HM Treasury begebenen Sterling-Referenzanleihe des Vereinigten Königreichs von Großbritannien und Nordirland]

§ 4[(e)][(f)]. The Issuer shall redeem each Note at its Specified Denomination together with accrued interest on the Call Redemption Date.

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

[insert Call Redemption Date[(s)]]

[(c)][(d)][Early redemption at the option of the Issuer at the Early Redemption Amount].

The Issuer may at any time call and redeem the Notes (in whole but not in part) on such dates specified by it (each a "Call Redemption Date") at the Early Redemption Amount on giving not less than 30 nor more than 60 days' notice in accordance with § 4[(e)][(f)].

The Early Redemption Amount of a Note shall be the higher of (i) its Specified Denomination together with accrued interest, if any, to (but excluding) the respective Call Redemption Date and (ii) the Present Value.

The "Present Value" will be calculated by the Calculation Agent by discounting to the Call Redemption Date the sum of the Specified Denomination of a Note and the remaining interest payments to [insert Maturity Date] on an annual basis, assuming a 365-day year or a 366-day year, as the case may be, and the actual number of days elapsed in such year and using the Comparable Benchmark Yield plus [insert percentage]%.

"Calculation Agent" means [insert name of Calculation Agent].

"Comparable Benchmark Yield" means the yield at the Redemption Calculation Date of the corresponding [insert [euro denominated benchmark debt security of the Federal Republic of Germany] [United Kingdom of Great Britain and Northern Ireland government Sterling denominated benchmark debt security issued by H.M. Treasury] [Swiss

of the Issuer at their Specified Denomination, the following applies:

If Notes are subject to early redemption at the option of the Issuer at the Early Redemption Amount, the following applies:



[Schweizer Franken-Referenz-Bundesanleihe der Schweizerischen Eidgenossenschaft] [Referenz-U.S. Staatsanleihe (US Treasury debt security) in USD] [andere Referenzanleihe] unter Angabe folgender Einzelheiten: ISIN oder andere Wertpapierkennung, entsprechende Bildschirmseite von Bloomberg oder Reuters und maßgebliche Uhrzeit] mit einer Laufzeit, die mit der verbleibenden Restlaufzeit der Schuldverschreibung bis zum [Endfälligkeitstag einfügen] vergleichbar ist, und die im Zeitpunkt der Auswahlentscheidung und entsprechend der üblichen Finanzmarktpraxis zur Preisbestimmung bei Neuemissionen von Unternehmensanleihen mit einer bis zum [Endfälligkeitstag einfügen] der Schuldverschreibung vergleichbaren Laufzeit verwendet werden würde.

"Rückzahlungs-Berechnungstag" ist der vierte Zahltag vor dem jeweiligen Call-Rückzahlungstag.

Der Emittentin steht dieses Recht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung bereits der Anleihegläubiger in Ausübung seines Rechts gemäß § 4[(f)][(g)](i) verlangt hat.

franc denominated benchmark federal bond of the Swiss Confederation] [USD denominated benchmark U.S. Treasury debt security] [other relevant benchmark] specifying the following details: ISIN or other securities code, relevant screenpage at Bloomberg or Reuters and relevant time], as having a maturity comparable to the remaining term of the Note to [insert Maturity Date], that would be used at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to [insert Maturity Date].

"Redemption Calculation Date" means the fourth Payment Business Day prior to the Call Redemption Date.

The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Noteholder thereof of its option to require the redemption of such Note in accordance with § 4[(f)][(g)](i).

Falls die Anleihegläubiger ebenfalls ein Recht haben, die Schuldverschreibungen vorzeitig zu kündigen, gilt folgendes:

If Notes are also subject to early redemption at the option of the Noteholders, the following applies:

[(d)][(e)] Vorzeitige Rückzahlung bei Eintritt eines Kontrollwechsels.

- (i) Ein "Kontrollwechsel" gilt als eingetreten, wenn eine Person oder mehrere Personen, die am Begebungstag nicht Gesellschafter der Emittentin oder ihrer Komplementärin waren und die im Sinne von § 22 Absatz 2 Wertpapierhandelsgesetz - WpHG abgestimmt handeln, oder einer oder mehrere Dritte, die im Auftrag einer solchen Person oder Personen handeln, zu irgendeiner Zeit mittelbar oder unmittelbar (i) mehr als 50% des Kommanditkapitals der Emittentin oder mehr als 50% des Stammkapitals ihrer Komplementärin oder (ii) eine solche Anzahl von Anteilen am Kommanditkapital der Emittentin oder Stammkapital ihrer Komplementärin erworben hat, auf die mehr als 50% der bei jeweiligen Gesellschafterversammlungen der Emittentin oder ihrer Komplementärin stimmberechtigten Stimmrechte entfallen.
- (ii) Wenn ein Kontrollwechsel eingetreten ist, kann die Emittentin nach eigenem Ermessen entweder
  - (x) von Moody's Investors Services Limited ("Moody's") oder Standard & Poor's Rating Services, a division of The

[(d)][(e)] Early redemption following a Change of Control.

- (i) A "Change of Control" will be deemed to have occurred if any person or persons, who on the issue date were not partners of the Issuer or shareholders of its general partner, acting in concert (as defined in § 22 (2) of the German Securities Trading Act (Wertpapierhandelsgesetz - WpHG) or any person or persons acting on behalf of any such person(s), at any time directly or indirectly acquire(s) (i) more than 50% of the limited liability capital (Kommanditkapital) of the Issuer or more than 50% of the share capital (Stammkapital) of its general partner or (ii) such number of partnership interests (Anteile am Kommanditkapital) of the Issuer or shares in the capital (Anteile am Stammkapital) of its general partner carrying more than 50% of the voting rights exercisable at respective general meetings of the Issuer or its general partner.
- (ii) If a Change of Control occurs, the Issuer may at its sole discretion elect to either
  - (x) obtain, within six months following the Change of Control, at least an Investment Grade Rating for the Notes

McGraw-Hill Companies Inc. ("S&P") (oder einer jeweiligen Nachfolgegesellschaft) innerhalb von 6 Monaten nach dem Kontrollwechsel mindestens ein Investment Grade Rating für die Schuldverschreibungen einholen; oder

from Moody's Investors Services Limited ("Moody's") or Standard & Poor's Rating Services, a division of The McGraw-Hill Companies Inc. ("S&P") or its respective successor companies; or

- (y) die Schuldverschreibungen insgesamt, und nicht teilweise, an dem in der Bekanntmachung festgelegten Kündigungstag zu ihrem Festgelegten Nennbetrag zuzüglich aufgelaufener Zinsen zurückzahlen.
- (iii) Wenn ein Kontrollwechsel eingetreten ist, wird die Emittentin innerhalb von 14 Tagen nach dem Kontrollwechsel den Anleihegläubigern davon Mitteilung gemäß § 11 machen (eine "**Kontrollwechselmitteilung**"). In der Kontrollwechselmitteilung sind die Umstände des Kontrollwechsels und die Information anzugeben, ob die Emittentin beabsichtigt, die Schuldverschreibungen zurückzahlen oder ein Investment Grade Rating für die Schuldverschreibungen zu beantragen. Wählt die Emittentin die Rückzahlung der Schuldverschreibungen, wird sie gleichzeitig den Rückzahlungstermin bekannt machen, der auf einen Tag frühestens 30 und höchstens 60 Tage nach Veröffentlichung der Kontrollwechselmitteilung festzusetzen ist.
- (iv) Hat die Emittentin gemäß § 4[(d)][(e)](ii)(x) gewählt, ein Investment Grade Rating für die Schuldverschreibungen zu beantragen, und wird ein solches Rating nicht innerhalb von sechs Monaten nach Eintritt des Kontrollwechsels erteilt, so hat die Emittentin unverzüglich einen Rückzahlungstermin für die Schuldverschreibungen gemäß § 11 bekanntzumachen, der auf einen Tag frühestens 10 und höchstens 20 Tage nach Veröffentlichung der Mitteilung festzusetzen ist.

- (y) redeem the Notes, in whole but not in part, at their Specified Denomination together with accrued interest on the redemption date specified in the notice.

- (iii) If a Change of Control has occurred then, within 14 days following the Change of Control, the Issuer shall give notice thereof (a "**Change of Control Notice**") to the Noteholders in accordance with § 11 specifying the circumstances of the Change of Control and whether the Issuer intends to redeem the Notes or to apply for an Investment Grade Rating of the Notes. If the Issuer elects to redeem the Notes, it shall publish simultaneously the date for redemption which shall be a day not earlier than 30 and not later than 60 days after publication of the Change of Control Notice.
- (iv) In the case that the Issuer has elected pursuant to § 4[(d)][(e)](ii)(x) that it will apply for the assignment of an Investment Grade Rating for the Notes and such rating is not granted within six months after the Change of Control has occurred, the Issuer shall promptly publish in accordance with § 11 a date for the redemption of the Notes which date shall not be earlier than 10 and not be later than 20 days after such publication.

"**Investment Grade Rating**" bezeichnet ein Rating von mindestens BBB- im Fall eines von S&P erteilten Ratings und Baa3 im Fall eines von Moody's (oder einer jeweiligen Nachfolgegesellschaft) erteilten Ratings.

"**Investment Grade Rating**" means a level of at least BBB- (in the case of S&P) and Baa3 (in the case of Moody's) or its respective successor companies.

[(e)][(f)]*Kündigungserklärung.* Die Kündigung erfolgt durch Bekanntmachung der Emittentin an die Anleihegläubiger gemäß § 11. Die Kündigung ist unwiderruflich, und in ihr wird bestimmt:

- die zur vorzeitigen Rückzahlung anstehende Serie;
- der betreffende Tag der vorzeitigen Rückzahlung; und
- außer im Fall einer Rückzahlung zum Vorzeitigen Rückzahlungsbetrag, der

[(e)][(f)]*Notice.* The appropriate notice is a notice given by the Issuer to the Noteholders in accordance with § 11 which notice shall be irrevocable and shall specify:

- the Series of Notes subject to early redemption;
- the applicable date of early redemption; and
- except for a redemption at the Early Redemption Amount, the applicable

betreffende Rückzahlungsbetrag, zu dem die Schuldverschreibungen vorzeitig zurückgezahlt werden.

redemption amount at which such Notes are to be redeemed early.

Die Emittentin wird jeder Börse, an der die Schuldverschreibungen notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, umgehend Mitteilung über die Kündigung machen.

The Issuer will inform, if required by such stock exchange on which the Notes are listed, such stock exchange as soon as possible of such redemption.

[(f)][(g)]*Vorzeitige Rückzahlung nach Wahl des Anleihegläubigers.*

[(f)][(g)]*Early redemption at the option of a Noteholder.*

Falls die Anleihegläubiger kein Recht haben, die vorzeitige Rückzahlung der Schuldverschreibungen zu verlangen, gilt folgendes:

Die Anleihegläubiger sind außer in Fällen des § 8 zu keinem Zeitpunkt berechtigt, von der Emittentin eine vorzeitige Rückzahlung der Schuldverschreibungen zu verlangen.

The Noteholders shall not be entitled to put the Notes for redemption otherwise than provided in § 8 at any time.

If Notes are not subject to early redemption at the option of the Noteholders, the following applies:

Falls die Anleihegläubiger ein Recht haben, die vorzeitige Rückzahlung der Schuldverschreibungen zu verlangen, gilt folgendes:

- (i) Die Emittentin hat eine Schuldverschreibung nach Wahl des Anleihegläubigers am / an den Put-Rückzahlungstag(en) zum festgelegten Nennbetrag zuzüglich etwaiger bis zum Put-Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurückzuzahlen.

- (i) The Issuer shall, at the option of the Noteholder, redeem such Note on the Put Redemption Date(s) at the Specified Denomination together with accrued interest, if any, to but excluding the Put Redemption Date.

If Notes are subject to early redemption at the option of the Noteholders, the following applies:

**Put-Rückzahlungstag(e)**

**Put Redemption Date(s)**

[Put-Rückzahlungstag(e)] einfügen

[insert Put Redemption Date(s)]

Dem Anleihegläubiger steht das Recht, die vorzeitige Rückzahlung zu verlangen, nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung die Emittentin zuvor gemäß § 4 verlangt hat.

The Noteholder may not exercise the option for early redemption in respect of any Note which is the subject of the prior exercise by the Issuer of its right to redeem such Note in accordance with § 4.

- (ii) Um dieses Recht auszuüben, hat der Anleihegläubiger nicht weniger als 30 und nicht mehr als 60 Tage vor dem Put-Rückzahlungstag, an dem die betreffenden Schuldverschreibungen gemäß der Ausübungserklärung (wie nachstehend definiert) zurückgezahlt werden sollen, bei der bezeichneten Geschäftsstelle des Fiscal Agent während der normalen Geschäftszeiten und über seine Depotbank und das Clearingsystem eine Erklärung zur vorzeitigen Rückzahlung ("**Ausübungserklärung**") in Textform zu hinterlegen. Für die Ausübungserklärung kann ein Formblatt, wie es von der bezeichneten Geschäftsstelle des Fiscal Agent erhältlich ist, verwendet werden. Die Ausübungserklärung hat anzugeben: (i) den Nennbetrag der Schuldverschreibungen, für die das Recht ausgeübt wird und (ii) die Wertpapier-Kenn-Nummer dieser Schuldverschreibungen (soweit vergeben). Die Rückzahlung der Schuldverschreibungen, für welche

- (ii) In order to exercise the option, the Noteholder must, not less than 30 nor more than 60 days before the Put Redemption Date on which such redemption is required to be made as specified in the Put Notice (as defined below), submit during normal business hours at the specified office of the Fiscal Agent and via its depository bank and the Clearing System an early redemption notice ("**Put Notice**") in text form. The Put Notice may be in the form available from the specified office of the Fiscal Agent. The Put Notice must specify (i) the principal amount of the Notes in respect of which such option is exercised, and (ii) the securities identification number of such Notes, if any. The Issuer shall only be required to redeem Notes in respect of which such option is exercised against delivery of such Notes to the Issuer or to its order. No option so exercised may be revoked or withdrawn.

das Recht ausgeübt worden ist, erfolgt nur gegen Lieferung der Schuldverschreibungen an die Emittentin oder an deren Order. Die Ausübung des Rechts kann nicht widerrufen werden.

## § 5 Zahlungen

### (a) Zahlungen.

(i) Die Zahlung von Kapital und Zinsen auf die Schuldverschreibungen erfolgt an das Clearingsystem oder an dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems. Die Zahlung von Zinsen auf Schuldverschreibungen, die durch eine Vorläufige Globalurkunde verbrieft sind, erfolgt nach ordnungsgemäßem Nachweis gemäß § 1(c).

(ii) Sämtliche Zahlungen stehen in allen Fällen unter dem Vorbehalt geltender steuerlicher und sonstiger gesetzlicher Vorschriften, Richtlinien und Verordnungen oder sonstiger gesetzlicher Vorschriften, denen sich die Emittentin, der Fiscal Agent oder eine Zahlstelle unterworfen haben. Die Emittentin ist nicht für irgendwelche Steuern oder Abgaben gleich welcher Art verantwortlich, die aufgrund solcher gesetzlichen Vorschriften, Richtlinien oder Verordnungen oder Verpflichtungen auferlegt oder erhoben werden. Dies berührt jedoch nicht die Bestimmungen von § 6. Den Anleihegläubigern werden keine Kosten oder Gebühren in Bezug auf diese Zahlungen auferlegt.

Falls die Festgelegte Währung nicht Renminbi ist, gilt folgendes:

(b) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften werden zu leistende Zahlungen auf die Schuldverschreibungen in der Festgelegten Währung geleistet.

Falls die Festgelegte Währung Renminbi ist, gilt folgendes:

(b) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften werden zu leistende Zahlungen auf die Schuldverschreibungen in der Festgelegten Währung oder im USD-Gegenwert (wie in § 5(e) definiert) nach Maßgabe der Anleihebedingungen geleistet.

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

(d) *Zahltag.* Fällt der Fälligkeitstag einer Zahlung in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahltag ist, dann hat der Anleihegläubiger keinen Anspruch auf Zahlung vor dem nächstfolgenden Zahltag am jeweiligen Geschäftsort. Der Anleihegläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen.

## § 5 Payments

### (a) Payments.

(i) Payment of principal and interest on the Notes shall be made to the Clearing System or to its order for credit to the relevant account holders of the Clearing System. Payment of interest on Notes represented by a Temporary Global Note shall be made, upon due certification as provided in § 1(c).

(ii) All payments will be subject in all cases to any applicable fiscal and other laws, directives and regulations or other laws to which the Issuer, the Fiscal Agent or any Paying Agent, as the case may be, agree to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, but without prejudice to the provisions of § 6. No commission or expenses shall be charged to the Noteholders in respect of such payments.

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

(b) *Manner of payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the Specified Currency or in USD Equivalent (as defined in § 5(e) below) as required by the Terms and Conditions.

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

(d) *Payment Business Day.* If the due date for payment of any amount in respect of any Note is not a Payment Business Day then the Noteholder shall not be entitled to payment until the next such day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

If the Specified Currency is not Renminbi the following applies:

If the Specified Currency is Renminbi the following applies:

<p>Falls die Festgelegte Währung weder Euro noch Renminbi ist, gilt folgendes:</p>	<p>Für diese Zwecke bezeichnet "<b>Zahltag</b>"</p> <p>einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken und Devisenmärkte in [sämtliche relevanten Finanzzentren einfügen] Zahlungen abwickeln.</p>	<p>For these purposes, "<b>Payment Business Day</b>" means a day which is</p> <p>a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in [insert all relevant financial centres].</p>	<p>If the Specified Currency is neither euro nor Renminbi, the following applies:</p>
<p>Falls die Festgelegte Währung Euro ist, gilt folgendes:</p>	<p>einen Tag (außer einem Samstag oder Sonntag), (i) an dem das Clearingsystem und (ii) das Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET) geöffnet sind, um Zahlungen abzuwickeln.</p>	<p>a day (other than a Saturday or a Sunday) on which both (i) the Clearing System, and the Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET) are open to effect payments.</p>	<p>If the Specified Currency is euro, the following applies:</p>
<p>Falls die Festgelegte Währung Renminbi ist, gilt folgendes:</p>	<p>einen Tag (außer einem Samstag, Sonntag oder Feiertag), an dem Geschäftsbanken und Devisenmärkte in [sämtliche relevanten Finanzzentren einfügen] für den Geschäftsverkehr geöffnet sind, sowie einen Tag, an dem Geschäftsbanken in Hongkong für den Geschäftsverkehr und die Abwicklung von Zahlungen in Renminbi geöffnet sind.</p>	<p>a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets are open for business in [insert all relevant financial centres] and on which commercial banks in Hong Kong are open for business and settlement of payments in Renminbi.</p>	<p>If the Specified Currency is Renminbi, the following applies:</p>
<p>(e) <i>Zahlungen auf Schuldverschreibungen, deren festgelegte Währung Renminbi ist.</i></p> <p>Ist die Emittentin unbeschadet des Vorstehenden aufgrund Fehlender Konvertierbarkeit, Fehlender Übertragbarkeit oder Illiquidität nicht in der Lage, Zahlungen von Kapital und Zinsen auf die Schuldverschreibungen bei Fälligkeit in Renminbi in Hongkong zu leisten, kann sie die jeweilige Zahlung in USD am jeweiligen Fälligkeitstag als einen dem jeweiligen auf Renminbi lautenden Betrag entsprechenden Gegenwert in USD leisten. Nach der Feststellung, dass ein Fall der Fehlenden Konvertierbarkeit, Fehlenden Übertragbarkeit oder Illiquidität vorliegt, hat die Emittentin spätestens um 10.00 Uhr (Hongkonger Zeit) fünf Geschäftstage vor dem Kurs-Feststellungstag den Fiscal Agent, die Berechnungsstelle und das Clearing System davon zu unterrichten. Zusätzlich wird die Emittentin den Anleihegläubigern sobald wie möglich von der Feststellung gemäß § 11 Mitteilung machen. Der Empfang einer solchen Mitteilung ist kein Erfordernis für Zahlungen in USD.</p> <p>"<b>Zahltag</b>" bezeichnet für die Zwecke dieses § 5(e) einen Tag, an dem Banken und Devisenmärkte für den allgemeinen Geschäftsverkehr in [sämtliche relevanten Finanzzentren einfügen], London, Vereinigtes Königreich von Großbritannien und Nordirland, und New York City, Vereinigte Staaten von Amerika, geöffnet sind.</p> <p>Für die Zwecke dieser Anleihebedingungen gelten folgende Begriffsbestimmungen:</p> <p>"<b>Berechnungsstelle</b>" bezeichnet [Namen der Berechnungsstelle einfügen].</p> <p>"<b>Kurs-Feststellungs-Geschäftstag</b>" bezeichnet einen Tag (außer einem Samstag oder</p>	<p>(e) <i>Payments on Notes denominated in Renminbi.</i></p> <p>Notwithstanding the foregoing, if by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is not able to satisfy payments of principal or interest in respect of the Notes when due in Renminbi in Hong Kong, the Issuer may settle any such payment in USD on the respective due date at the USD Equivalent of any such Renminbi amount. Upon the determination that a condition of Inconvertibility, Non-transferability or Illiquidity prevails, the Issuer shall by no later than 10:00 am (Hong Kong time) five Business Days prior to the Rate Determination Date notify the Fiscal Agent, the Calculation Agent and the Clearing System. The Issuer shall, in addition, give notice of the determination to the Noteholders in accordance with § 11 as soon as reasonably practicable. The receipt of such notice is not a requirement for payments in USD.</p> <p>"<b>Payment Business Day</b>" for the purpose of this § 5(e) shall mean any day on which banks and foreign exchange markets are open for general business in [insert all relevant financial centres], London, United Kingdom of Great Britain and Northern Ireland, and New York City, United States of America.</p> <p>For the purposes of these Terms and Conditions, the following terms shall have the following meanings:</p> <p>"<b>Calculation Agent</b>" means [insert name of Calculation Agent].</p> <p>"<b>Rate Determination Business Day</b>" means a day (other than a Saturday or Sunday) on</p>		

Sonntag), an dem Geschäftsbanken für den allgemeinen Geschäftsverkehr (einschließlich Devisengeschäften) in [relevante(s) Finanzzentrum(en) einfügen] geöffnet sind.

**"Kurs-Feststellungstag"** bezeichnet den Tag, der fünf Kurs-Feststellungs-Geschäftstage vor dem Fälligkeitstag der Zahlung des jeweiligen Betrags gemäß dieser Anleihebedingungen liegt.

**"Staatliche Stelle"** bezeichnet alle de facto oder de jure staatlichen Regierungen (einschließlich der dazu gehörenden Behörden oder Organe), Gerichte, rechtsprechenden, verwaltungsbehördlichen oder sonstigen staatlichen Stellen und alle sonstigen (privatrechtlichen oder öffentlich-rechtlichen) Personen (einschließlich der jeweiligen Zentralbank), die mit Aufsichtsfunktionen über die Finanzmärkte in Hongkong betraut sind.

**"Hongkong"** bezeichnet die Sonderverwaltungszone Hongkong der Volksrepublik China.

**"Illiquidität"** bezeichnet die Illiquidität des allgemeinen Renminbi-Devisenmarkts in Hongkong, infolgedessen die Emittentin nicht die ausreichende Menge an Renminbi zur Erfüllung ihrer Zins- oder Kapitalzahlungen (ganz oder teilweise) in Bezug auf die Schuldverschreibungen erhalten kann, wie von der Emittentin nach Treu und Glauben und in wirtschaftlich angemessener Weise nach Konsultation mit zwei Renminbi-Händlern festgelegt.

**"Fehlende Konvertierbarkeit"** bezeichnet den Eintritt eines Ereignisses, das die Umwandlung eines fälligen Betrags in Bezug auf die Schuldverschreibungen in Renminbi durch die Emittentin am allgemeinen Renminbi-Devisenmarkt in Hongkong unmöglich macht, sofern diese Unmöglichkeit nicht ausschließlich auf eine Nichteinhaltung von Gesetzen, Verordnungen oder Vorschriften einer Staatlichen Stelle seitens der Emittentin zurückzuführen ist (es sei denn, die betreffenden Gesetze, Verordnungen oder Vorschriften werden nach dem Begebungstag verabschiedet bzw. erlassen und ihre Einhaltung ist der Emittentin aufgrund eines außerhalb ihres Einflussbereichs liegenden Ereignisses nicht möglich).

**"Fehlende Übertragbarkeit"** bezeichnet den Eintritt eines Ereignisses, das eine Überweisung von Renminbi zwischen Konten innerhalb Hongkongs oder von einem Konto in Hongkong auf ein Konto außerhalb Hongkongs und der VRC oder von einem Konto außerhalb Hongkongs und der VRC auf ein Konto innerhalb Hongkongs durch die Emittentin unmöglich macht, sofern diese Unmöglichkeit nicht ausschließlich auf eine Nichteinhaltung von Gesetzen, Verordnungen oder Vorschriften einer Staatlichen Stelle seitens der Emittentin zurückzuführen ist (es sei denn, die betreffenden Gesetze, Verordnungen oder Vorschriften werden nach dem Begebungstag verabschiedet bzw. erlassen und ihre Einhaltung ist der Emittentin aufgrund eines außerhalb ihres Einflussbereichs liegenden

which commercial banks are open for general business (including dealings in foreign exchange) in [insert relevant financial centre(s)].

**"Rate Determination Date"** means the day which is five Rate Determination Business Days before the due date for payment of the relevant amount under these Terms and Conditions.

**"Governmental Authority"** means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other (private or public) entity (including the central bank) charged with the regulation of the financial markets of Hong Kong.

**"Hong Kong"** means the Hong Kong Special Administrative Region of the People's Republic of China.

**"Illiquidity"** means the general Renminbi exchange market in Hong Kong becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest or principal (in whole or in part) in respect of the Notes as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers.

**"Inconvertibility"** means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of the Notes into Renminbi in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the issue date of the Notes and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

**"Non-transferability"** means the occurrence of any event that makes it impossible for the Issuer to transfer Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong and outside the PRC or from an account outside Hong Kong and outside the PRC to an account inside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the issue date of the Notes and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

Ereignisses nicht möglich).

"VRC" bezeichnet die Volksrepublik China, wobei dieser Begriff für Zwecke dieser Anleihebedingungen Hongkong, die Sonderverwaltungszone Macao der Volksrepublik China und Taiwan ausschließt.

"Renminbi-Händler" bezeichnet einen unabhängigen Devisenhändler mit internationalem Renomme, der auf dem Renminbi-Devisenmarkt in Hongkong tätig ist.

"Kassakurs" bezeichnet das arithmetische Mittel des Verkaufs- und Kaufpreises des CNY/USD-Kassakurs für den Kauf von USD mit Renminbi über den außerbörslichen Renminbi-Devisenmarkt in Hongkong zur Abwicklung in zwei Geschäftstagen, wie von der Berechnungsstelle um oder gegen 11.00 Uhr (Hongkonger Zeit) an einem solchen Tag festgestellt (i) auf Lieferbasis unter Bezugnahme auf die Reuters-Bildschirmseite TRADCNY3 unter der Spalte USD/CNH oder (ii) falls kein Kurs verfügbar ist, auf einer Nichtlieferbasis durch Bezugnahme auf die Reuters-Bildschirmseite TRADNDF oder (iii) falls keiner der vorgenannten Kurse verfügbar ist, den aktuellen verfügbaren amtlichen CNY/USD-Kurs für die Abwicklung in zwei Geschäftstagen, der von der "the State Administration of Foreign Exchange" der VRC festgestellt und auf der Reuters-Bildschirmseite CNY=SAEC angezeigt wird. Eine Bezugnahme auf eine Seite auf dem Reuters-Bildschirm bedeutet die bei Reuters Monitor Money Rate Service (oder eines Nachfolgedienstes) so bezeichnete Anzeigeseite oder eine andere Seite, die diese Anzeigeseite zum Zwecke der Anzeige eines vergleichbaren Devisenkurses ersetzt.

Falls keiner der vorstehend unter (i) bis (iii) genannten Kurse verfügbar ist, wird die Emittentin den Kassakurs nach ihrem eigenen vernünftigen Ermessen und in einer wirtschaftlich vernünftigen Art und Weise und unter Berücksichtigung der jeweiligen Marktpraxis bestimmen.

"USD" bezeichnet die offizielle Währung der Vereinigten Staaten von Amerika.

"USD-Gegenwert" eines Renminbi-Betrags bezeichnet den in USD anhand des Kassakurses für den jeweiligen Kurs-Feststellungstag umgewandelten jeweiligen Renminbi-Betrag, wie von der Berechnungsstelle um oder ungefähr um 11.00 Uhr (Hongkonger Zeit) an dem Kurs-Feststellungstag bestimmt und der Emittentin und dem Fiscal Agent unverzüglich angezeigt.

"PRC" means the People's Republic of China, whereas for the purposes of these Terms and Conditions, the term PRC shall exclude Hong Kong, the Special Administrative Region of Macao of the People's Republic of China and Taiwan.

"Renminbi Dealer" means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Hong Kong.

"Spot Rate" means, in respect of a Rate Determination Date, the arithmetic mean of the offer and the bid USD/CNY spot exchange rate for the purchase of USD with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two business days, as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong time) on such date (i) on a deliverable basis by reference to Reuters Screen Page TRADCNY3 under the column USD/CNH, or (ii) if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF, or (iii) if neither of the aforementioned rates is available, as the most recently available CNY/USD official fixing rate for settlement in two business days reported by the State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuters Monitor Money Rate Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

If neither of the rates mentioned under (i) to (iii) above is available, the Issuer shall determine the Spot Rate in its equitable discretion and in a commercial reasonable manner having taken into account relevant market practice.

"USD" means the official currency of the United States of America.

"USD Equivalent" of a Renminbi amount means the relevant Renminbi amount converted into USD using the Spot Rate for the relevant Rate Determination Date as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong time) on the Rate Determination Date and promptly notified to the Issuer and the Fiscal Agent.

## § 6 Besteuerung

Sämtliche auf die Schuldverschreibungen zu zahlenden Beträge werden ohne Einbehalt oder Abzug von Steuern, Abgaben, Festsetzungen oder behördlicher Gebühren jedweder Art geleistet ("Steuern"), die von der Bundesrepublik Deutschland oder einer ihrer Gebietskörperschaften oder Behörden oder Stellen mit der Befugnis zur Erhebung von Steuern auferlegt, erhoben, eingezogen, einbehalten oder festgesetzt

## § 6 Taxation

All amounts to be paid in respect of the Notes will be paid free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature ("Taxes") imposed, levied, collected, withheld or assessed by the Federal Republic of Germany or any political subdivision or any authority or any agency of or in the Federal Republic of Germany that has power to tax,

werden, sofern nicht die Emittentin kraft Gesetzes oder einer sonstigen Rechtsvorschrift zu einem solchen Einbehalt oder Abzug verpflichtet ist. Sofern die Emittentin zu einem solchen Einbehalt oder Abzug verpflichtet ist, wird die Emittentin zusätzliche Beträge (die "**Zusätzlichen Beträge**") an die Anleihegläubiger zahlen, so dass die Anleihegläubiger die Beträge erhalten, die sie ohne den betreffenden Einbehalt oder Abzug erhalten hätten. Solche Zusätzlichen Beträge sind jedoch nicht zahlbar wegen solcher Steuern in Bezug auf Schuldverschreibungen,

- (a) die von einer als Depotbank oder Inkassobeauftragter des Anleihegläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder
- (b) die wegen einer Verbindung des betreffenden Anleihegläubigers zu der Bundesrepublik Deutschland, die nicht nur aus der bloßen Inhaberschaft der Schuldverschreibungen besteht, einzubehalten oder abzuziehen sind; oder
- (c) die aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung, eines zwischenstaatlichen Abkommens oder einer zwischenstaatlichen Verständigung über deren Besteuerung, an der die Bundesrepublik Deutschland oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung, Vereinbarung, Abkommen oder Verständigung umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder
- (d) die aufgrund einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen wirksam wird; oder
- (e) die von einer Zahlstelle abgezogen oder einbehalten werden, wenn eine andere Zahlstelle die Zahlung ohne einen solchen Abzug oder Einbehalt hätte leisten können.

Die Emittentin ist keinesfalls verpflichtet, zusätzliche Beträge in Bezug auf einen Einbehalt oder Abzug von Beträgen zu zahlen, die gemäß Sections 1471 bis 1474 des U.S. Internal Revenue Code (in der jeweils geltenden Fassung oder gemäß Nachfolgebestimmungen), gemäß zwischenstaatlicher Abkommen, gemäß den in einer anderen Rechtsordnung in Zusammenhang mit diesen Bestimmungen erlassenen Durchführungsvorschriften oder gemäß mit dem Internal Revenue Service geschlossenen Verträgen von der Emittentin, der jeweiligen Zahlstelle oder einem anderen Beteiligten abgezogen oder einbehalten wurden ("**FATCA-Steuerabzug**") oder Anleger in Bezug auf einen FATCA-Steuerabzug schadlos zu halten.

## § 7 Vorlegung, Verjährung

- (a) *Vorlegungsfrist.* Die Vorlegungsfrist gemäß § 801 Absatz 1 Satz 1 BGB für fällige Schuldverschreibungen wird auf zehn Jahre verkürzt.

unless the Issuer is compelled by law to make such withholding or deduction. If the Issuer is required to make such withholding or deduction, the Issuer will pay such additional amounts (the "**Additional Amounts**") to the Noteholders as the Noteholders would have received if no such withholding or deduction had been required, except that no such Additional Amounts will be payable for any such Taxes in respect of any Note:

- (a) which are payable by any person acting as custodian bank or collecting agent on behalf of a Noteholder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it, or
- (b) which are to be withheld or deducted by reason of the relevant Noteholder having some connection with the Federal Republic of Germany other than the mere holding of that Note; or
- (c) which are to be withheld or deducted pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty, agreement or understanding relating to such taxation and to which the Federal Republic of Germany or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty, agreement or understanding; or
- (d) which are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due; or
- (e) which are deducted or withheld by a Paying Agent from a payment if the payment could have been made by another Paying Agent without such deduction or withholding.

In any event, the Issuer will have no obligation to pay additional amounts deducted or withheld by the Issuer, the relevant Paying Agent or any other party ("**FATCA Withholding**") in relation to any withholding or deduction of any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service or indemnify any investor in relation to any FATCA Withholding.

## § 7 Presentation, Prescription

- (a) *Presentation.* The period for presentation of Notes due, as established in § 801 paragraph 1 sentence 1 of the German Civil Code (*Bürgerliches Gesetzbuch*), is reduced to ten years.



- (b) *Verjährungsfrist.* Die Verjährungsfrist für innerhalb der Vorlegungsfrist zur Zahlung vorgelegte Schuldverschreibungen beträgt zwei Jahre von dem Ende der betreffenden Vorlegungsfrist an.

#### § 8 Kündigungsründe für die Anleihegläubiger

- (a) *Kündigungsründe.* Jeder Anleihegläubiger ist berechtigt, seine Schuldverschreibungen zu kündigen und deren sofortige Rückzahlung zu ihrem Festgelegten Nennbetrag zuzüglich aufgelaufener Zinsen zurückzuzahlen, falls:
- (i) die Emittentin Kapital oder Zinsen nicht innerhalb von 7 Tagen nach dem betreffenden Fälligkeitstag zahlt, oder
  - (ii) die Emittentin die ordnungsgemäße Erfüllung irgendeiner anderen wesentlichen Verpflichtung aus den Schuldverschreibungen unterlässt und die Unterlassung länger als 15 Tage fort dauert, nachdem der Fiscal Agent hierüber eine Benachrichtigung von einem Anleihegläubiger erhalten hat, oder
  - (iii) die Emittentin oder eine ihrer Wesentlichen Tochtergesellschaften eine Zahlungsverpflichtung aus anderen Kapitalmarktverbindlichkeiten oder aus einer Garantie oder Gewährleistung für eine solche Zahlungsverpflichtung aus Kapitalmarktverbindlichkeiten Dritter bei Fälligkeit nicht erfüllt und diese Nichterfüllung länger als 30 Tage fort dauert, nachdem die Emittentin hierüber von einem Anleihegläubiger eine Benachrichtigung erhalten hat, oder eine solche Zahlungsverpflichtung der Emittentin oder einer ihrer Wesentlichen Tochtergesellschaften infolge Vorliegens eines Kündigungsgrundes vorzeitig fällig wird, soweit der Betrag der Zahlungsverpflichtungen, einzeln oder zusammen, den Betrag von EUR 10.000.000 (oder dessen Gegenwert in einer anderen Währung oder anderen Währungen) übersteigt, oder
  - (iv) die Emittentin oder eine Wesentliche Tochtergesellschaft ihre Zahlungen einstellt oder ihre Zahlungsunfähigkeit allgemein bekannt gibt, oder
  - (v) ein Gericht ein Insolvenzverfahren oder ähnliches Verfahren gegen die Emittentin oder eine Wesentliche Tochtergesellschaft eröffnet, ein solches Verfahren eingeleitet und nicht innerhalb von 60 Tagen aufgehoben oder ausgesetzt worden ist, oder die Emittentin oder eine Wesentliche Tochtergesellschaft ein solches Verfahren beantragt oder einleitet, oder
  - (vi) die Emittentin oder eine Wesentliche Tochtergesellschaft ihre Geschäftstätigkeit ganz oder nahezu ganz

- (b) *Prescription.* The period for prescription for Notes presented for payment during the presentation period shall be two years beginning at the end of the relevant presentation period.

#### § 8 Events of Default

- (a) *Events of Default.* Each Noteholder shall be entitled to declare his Notes due and demand immediate redemption thereof at their Specified Denomination together with accrued interest, in the event that
- (i) the Issuer fails to pay principal or interest within 7 days from the relevant due date; or
  - (ii) the Issuer fails to duly perform any other material obligation arising from the Notes and such failure continues for more than 15 days after the Fiscal Agent has received notice thereof from a Noteholder; or
  - (iii) the Issuer or any Material Subsidiary fails to fulfil any payment obligation, when due, arising from any other Capital Market Indebtedness or from any guarantee or indemnity for the payment obligation from a Capital Market Indebtedness on the part of a third party and such default continues for more than 30 days after notice of such default is given to the Issuer by a Noteholder, or any such payment obligation can become due prematurely by reason of any default of the Issuer or any Material Subsidiary, provided the amount of such payment obligations, individually or in aggregate, exceeds the amount of EUR 10,000,000 (or its equivalent in another currency or other currencies), or
  - (iv) the Issuer or a Material Subsidiary ceases to effect payments or announces its inability to meet its financial obligations; or
  - (v) a court institutes insolvency or similar proceedings against the Issuer or a Material Subsidiary, such proceedings are commenced and not set aside or suspended within 60 days, or the Issuer or a Material Subsidiary applies for or institutes such proceedings or offers ; or
  - (vi) the Issuer or a Material Subsidiary ceases all or substantially all of its business operations or sells or oth-

einstellt oder alle oder wesentliche Teile ihrer Vermögenswerte veräußert oder anderweitig abgibt und dadurch (i) die Emittentin den Wert ihres Vermögens wesentlich vermindert und (ii) es dadurch wahrscheinlich wird, dass die Emittentin ihre Zahlungsverpflichtungen unter den Schuldverschreibungen nicht mehr erfüllen kann; oder

- (vii) die Emittentin oder eine Wesentliche Tochtergesellschaft in Liquidation tritt, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung, Konsolidierung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft oder im Zusammenhang mit einer Umwandlung und die andere oder neue Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin im Zusammenhang mit diesen Schuldverschreibungen eingegangen ist.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

- (b) *Quorum.* In den Fällen des § 8(a)(ii) und/oder § 8(a)(iii) wird eine Kündigungserklärung, sofern nicht bei deren Eingang zugleich einer der in § 8(a)(i) und § 8(a)(iv) bis (vii) bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei der Hauptzahlstelle Kündigungserklärungen von Anleihegläubigern von im Gesamtnennbetrag von mindestens 1/10 der dann ausstehenden Schuldverschreibungen eingegangen sind.
- (c) *Bekanntmachung.* Eine Kündigung der Schuldverschreibungen gemäß § 8(a) ist in Textform in deutscher oder englischer Sprache gegenüber dem Fiscal Agent an dessen bezeichnete Geschäftsstelle zu erklären. Der Benachrichtigung ist ein Nachweis beizufügen, aus dem sich ergibt, dass der betreffende Anleihegläubiger zum Zeitpunkt der Abgabe der Benachrichtigung Inhaber der betreffenden Schuldverschreibung ist. Der Nachweis kann durch eine Bescheinigung seiner Depotbank oder auf andere geeignete Weise erbracht werden.

#### § 9 Fiscal Agent, Zahlstelle(n)

- (a) *Bestellung; bezeichnete Geschäftsstelle.* Der Fiscal Agent und die Zahlstelle sind nachstehend mit den benannten anfänglichen Geschäftsstellen aufgeführt:

**Fiscal Agent:**  
Deutsche Bank Aktiengesellschaft  
Taunusanlage 12  
D-60325 Frankfurt am Main

**Zahlstelle:**  
[Deutsche Bank Aktiengesellschaft  
Taunusanlage 12  
D-60325 Frankfurt am Main]

erwise disposes of all or a material part of its assets and thus (i) the Issuer materially reduces the value of its assets and (ii) for this reason it becomes likely that the Issuer may not fulfil its payment obligations under the Notes; or

- (vii) the Issuer or a Material Subsidiary goes into liquidation unless this is done in connection with a merger, consolidation or other form of combination, with another company or in connection with a change in the legal form of the Issuer or a Material Subsidiary and the other or new company assumes all obligations which the Issuer has undertaken in connection with the Notes.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

- (b) *Quorum.* In the events specified in § 8(a)(ii) and/or § 8(a)(iii), any notice declaring Notes due shall, unless at the time such notice is received any of the events specified in § 8(a)(i) and § 8(a)(iv) through (vii) entitling Noteholders to declare their Notes due has occurred, become effective only when the Fiscal Agent has received such notices from the Noteholders of at least one-tenth in aggregate principal amount of Notes then outstanding.
- (c) *Form of Notice.* Any notice declaring Notes due in accordance with § 8(a) shall be made by means of a declaration in text form in the German or English language delivered to the specified office of the Fiscal Agent together with proof that such Noteholder at the time of such notice is the holder of the relevant Notes by means of a certificate of his depository bank or in any other appropriate manner.

#### § 9 Fiscal Agent, Paying Agent(s)

- (a) *Appointment, specified office.* The Fiscal Agent and the Paying Agent and their respective initial specified offices are as follows:

**Fiscal Agent:**  
Deutsche Bank Aktiengesellschaft  
Taunusanlage 12  
D-60325 Frankfurt am Main  
Germany

**Paying Agent:**  
[Deutsche Bank Aktiengesellschaft  
Taunusanlage 12  
D-60325 Frankfurt am Main]

Germany]

[insert name and address of Paying Agent]

- (b) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit eine andere oder zusätzliche Zahlstelle (gemeinsam mit der vorgenannten Zahlstelle, die "**Zahlstellen**" und jede eine "**Zahlstelle**") zu benennen.

Der Fiscal Agent und die Zahlstelle behalten sich das Recht vor, jederzeit ihre bezeichneten Geschäftsstellen durch eine andere bezeichnete Geschäftsstelle in derselben Stadt zu ersetzen.

Die Emittentin behält sich ferner das Recht vor, die Ernennung des Fiscal Agent und der Zahlstellen jederzeit anders zu regeln oder zu beenden.

Die Emittentin wird sicherstellen, dass jederzeit (i) ein Fiscal Agent, (ii) eine Zahlstelle mit einer Geschäftsstelle in einer Stadt auf dem europäischen Festland und (iii) so lange die Schuldverschreibungen an einer Börse notiert werden, eine Zahlstelle mit einer benannten Geschäftsstelle an dem von der betreffenden Börse vorgeschriebenen Ort bestimmt ist. Der Fiscal Agent und etwaige Zahlstellen behalten sich das Recht vor, jederzeit anstelle ihrer jeweils benannten Geschäftsstelle eine andere Geschäftsstelle in derselben Stadt zu bestimmen. Bekanntmachungen hinsichtlich aller Veränderungen im Hinblick auf den Fiscal Agent und etwaige Zahlstellen erfolgen unverzüglich durch die Emittentin gemäß § 11.

- (b) *Variation or termination of appointment.* The Issuer reserves the right at any time to appoint another or an additional paying agent (together with the Paying Agent specified above, the "**Paying Agents**" and each a "**Paying Agent**").

The Fiscal Agent, and the Paying Agent reserves the right at any time to change their respective specified offices to some other specified offices in the same city.

The Issuer further reserves the right at any time to vary or terminate the appointment of the Fiscal Agent and the Paying Agent.

The Issuer will at all times maintain (i) a Fiscal Agent, (ii) a Paying Agent with a specified office in a continental European city and (iii) so long as the Notes are listed on a stock exchange, a Paying Agent with a specified office in such city as may be required by the rules of the relevant stock exchange. The Fiscal Agent and any Paying Agents reserve the right at any time to change their respective specified offices to some other specified office in the same city. Notice of all changes in the identities or specified offices of the Fiscal Agent and any Paying Agent will be given promptly by the Issuer to the Noteholders in accordance with § 11.

[If payments at or through the offices of all Paying Agents outside the United States of America become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in USD, the Issuer shall maintain a Paying Agent with a specified office in New York City, United States of America.]

If the Specified Currency is USD the following applies:

Falls die Festgelegte Währung USD ist, gilt folgendes:

[Falls Zahlungen bei den oder durch die Geschäftsstellen aller Zahlstellen außerhalb der Vereinigten Staaten von Amerika aufgrund der Einführung von Devisenbeschränkungen oder ähnlichen Beschränkungen hinsichtlich der vollständigen Zahlung oder des Empfangs der entsprechenden Beträge in USD widerrechtlich oder tatsächlich ausgeschlossen werden, wird die Emittentin eine Zahlstelle mit bezeichneter Geschäftsstelle in New York City, Vereinigte Staaten von Amerika, unterhalten.]

- (c) *Erfüllungsgelhilfe(n) der Emittentin.* Der Fiscal Agent und die Zahlstelle(n) handeln ausschließlich als Beauftragte der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber dem Anleihegläubiger; es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und dem Anleihegläubiger begründet.

- (c) *Agent of the Issuer.* The Fiscal Agent and the Paying Agent(s) act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for the Noteholder.

## § 10 Schuldnerersetzung

- (a) *Ersetzung.*

Die Emittentin ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen auf die Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Anleihegläubiger, eine andere Gesellschaft, die direkt oder indirekt von der Emittentin kontrolliert wird, als neue Emittentin für alle sich aus oder im Zusammenhang mit den Schuldverschreibungen ergebenden Verpflichtungen mit schuldbefreiender Wirkung für die Emittentin an die Stelle der

## § 10 Substitution

- (a) *Substitution.*

The Issuer may at any time, without the consent of the Noteholders, if no payment of principal of or interest on any of the Notes is in default, substitute for the Issuer any other company which is directly or indirectly controlled by the Issuer, as new issuer (the "**New Issuer**") in respect of all obligations arising under or in connection with the Notes with the effect of releasing the Issuer of all such obligations, if:

Emittentin zu setzen (die "**Neue Emittentin**"), sofern

- |   |  |
|---|--|
| <p>(i) die Neue Emittentin sämtliche Verpflichtungen der Emittentin aus oder im Zusammenhang mit den Schuldverschreibungen übernimmt und, sofern eine Zustellung an die Neue Emittentin außerhalb der Bundesrepublik Deutschland erfolgen müsste, einen Zustellungsbevollmächtigten in der Bundesrepublik Deutschland bestellt;</p> <p>(ii) die Emittentin und die Neue Emittentin sämtliche für die Schuldnerersetzung und die Erfüllung der Verpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen erforderlichen Genehmigungen erhalten haben;</p> <p>(iii) die Neue Emittentin in der Lage ist, sämtliche zur Erfüllung der aufgrund der Schuldverschreibungen bestehenden Zahlungsverpflichtungen erforderlichen Beträge in der Festgelegten Währung an das Clearingsystem zu zahlen, und zwar ohne Abzug oder Einbehalt von Steuern oder sonstigen Abgaben jedweder Art, die von dem Land (oder den Ländern), in dem (in denen) die Neue Emittentin ihren Sitz oder Steuersitz hat, auferlegt, erhoben oder eingezogen werden; und</p> <p>(iv) die Emittentin unbedingt und unwiderruflich die Verpflichtungen der Neuen Emittentin aus den Schuldverschreibungen zu Bedingungen garantiert, die sicherstellen, dass jeder Anleihegläubiger wirtschaftlich mindestens so gestellt wird, wie er ohne die Ersetzung stehen würde und eine § 2(b) entsprechende Negativklärung übernimmt.</p> <p>(v) der Hauptzahlstelle ein oder mehrere Rechtsgutachten von anerkannten Rechtsanwälten vorgelegt werden, die bestätigen, dass die Bestimmungen in den vorstehenden Unterabsätzen (i), (ii) und (iii) erfüllt wurden.</p> | <p>(i) the New Issuer assumes any and all obligations of the Issuer arising under or in connection with the Notes and, if service of process vis-à-vis the New Issuer would have to be effected outside the Federal Republic of Germany, appoints a process agent within the Federal Republic of Germany;</p> <p>(ii) the Issuer and the New Issuer have obtained all authorisations and approvals necessary for the substitution and the fulfilment of the obligations arising under or in connection with the Notes;</p> <p>(iii) the New Issuer is in the position to pay to the Clearing System or to the Fiscal Agent in the Specified Currency and without deducting or withholding any taxes or other duties of whatever nature imposed, levied or deducted by the country (or countries) in which the New Issuer has its domicile or tax residence all amounts required for the performance of the payment obligations arising from or in connection with the Notes; and</p> <p>(iv) the Issuer irrevocably and unconditionally guarantees such obligations of the New Issuer under the Notes on terms which ensure that each Noteholder will be put in an economic position that is at least as favourable as that which would have existed if the substitution had not taken place and assumes a negative pledge equal to § 2(b) hereof.</p> <p>(v) there shall have been delivered to the Fiscal Agent an opinion or opinions of lawyers of recognised standing to the effect that subparagraphs (i), (ii) and (iii) above have been satisfied.</p> |
| <p>(b) <i>Bezugnahmen.</i></p> <p>(i) Im Fall einer Schuldnerersetzung gemäß § 10(a) gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin als eine solche auf die Neue Emittentin.</p>  | <p>(b) <i>References.</i></p> <p>(i) In the event of a substitution pursuant to § 10(a), any reference in these Terms and Conditions to the Issuer shall be a reference to the New Issuer.</p>   |

Klarstellend sei erwähnt, dass dies nur gilt, soweit sich nicht aus Sinn und Zweck der jeweiligen Bedingung ergibt, dass die Bezugnahme entweder weiterhin nur auf die Otto (GmbH & Co KG) erfolgen soll, oder dass die Bezugnahme auf die Neue Emittentin und gleichzeitig auch auf die Otto (GmbH & Co KG), im Hinblick auf deren Verpflichtungen aus der

For the avoidance of doubt this shall apply only to the extent that the meaning and purpose of the relevant condition requires that the relevant reference shall continue to be a reference only to Otto (GmbH & Co KG), or that the reference shall be to the New Issuer and Otto (GmbH & Co KG), in relation to Otto (GmbH & Co KG)'s obligations under the guarantee

Garantie gemäß § 10(a)(iv) erfolgen soll.

Im Fall einer Schuldnerersetzung gilt jede Bezugnahme auf die Bundesrepublik Deutschland (außer in § 13) als eine solche auf den Staat, in welchem die Neue Emittentin steuerlich ansässig ist, soweit sich aus dem vorstehenden Satz 2 nichts anderes ergibt, und in §§ 8(a)(ii)-(vii), § 4[(d)][(e)] und der Definition "Wesentliche Tochtergesellschaft" gilt eine alternative Bezugnahme auf die Emittentin in ihrer Eigenschaft als Garantin als aufgenommen (zusätzlich zu der Bezugnahme auf die Neue Emittentin).

- (ii) In § 8 gilt ein weiterer Kündigungsgrund als aufgenommen, der dann besteht, wenn die Garantie gemäß § 10(a)(iv) aus irgendeinem Grund nicht mehr gilt.

- (c) *Bekanntmachung und Wirksamwerden der Ersetzung.* Die Ersetzung der Emittentin ist gemäß § 11 bekanntzumachen. Mit der Bekanntmachung der Ersetzung wird die Ersetzung wirksam und die Emittentin und im Fall einer wiederholten Anwendung dieses § 10 jede frühere Neue Emittentin von ihren sämtlichen Verpflichtungen aus den Schuldverschreibungen frei. Im Fall einer solchen Schuldnerersetzung werden die Wertpapierbörsen informiert, an denen die Schuldverschreibungen notiert sind.

## § 11 Bekanntmachungen

Im Fall von Schuldverschreibungen, die an der Luxemburger Börse notiert sind, gilt folgendes:

- (a) *Veröffentlichungen.* Alle Bekanntmachungen, die die Schuldverschreibungen betreffen, werden im Bundesanzeiger (soweit erforderlich) und (solange die Schuldverschreibungen an der Luxemburger Wertpapierbörse notiert sind) auf der Internet-Seite der Luxemburger Börse unter [www.bourse.lu](http://www.bourse.lu) veröffentlicht. Jede Mitteilung gilt am Tag der ersten Veröffentlichung als wirksam erfolgt.
- (b) *Mitteilungen an das Clearingsystem.* Solange Schuldverschreibungen an der Luxemburger Börse notiert sind, findet § 11(a) Anwendung. Soweit die Regeln der Luxemburger Börse dies zulassen, kann die Emittentin eine Veröffentlichung nach § 11(a) durch eine Mitteilung an das Clearingsystem zur Weiterleitung an die Anleihegläubiger ersetzen; jede derartige Mitteilung gilt am fünften Tag nach dem Tag der Mitteilung an das Clearingsystem als den Anleihegläubigern mitgeteilt.

Im Fall von Schuldverschreibungen, die nicht an einer Börse notiert sind, gilt

- (a) *Mitteilungen an das Clearingsystem.* Die Emittentin wird alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearingsystem zur Weiterleitung an die Anleihegläubiger übermitteln. Jede derartige Mitteilung gilt am fünften Tag nach dem Tag der Mitteilung an das Clearingsystem als den

pursuant to § 10(a)(iv) at the same time.

In the event of a substitution any reference to the Federal Republic of Germany (except in § 13) shall be a reference to the New Issuer's country of domicile for tax purposes, unless sentence 2 above provides otherwise, and in §§ 8(a)(ii)-(vii), §4[(d)][(e)] and the definition of "Material Subsidiary" an alternative reference to the Issuer in its capacity as guarantor shall be deemed to have been included in addition to the reference to the New Issuer.

- (ii) In § 8 a further event of default shall be deemed to have been included; such event of default shall exist in the case that the guarantee pursuant to § 10(a)(iv) is or becomes invalid for any reasons.

- (c) *Notice and effectiveness of substitution.* Notice of any substitution of the Issuer shall be given by notice in accordance with § 11. Upon such publication, the substitution shall become effective, and the Issuer and in the event of a repeated application of this § 10, any previous New Issuer shall be discharged from any and all obligations under the Notes. In the case of such substitution, the stock exchange(s), if any, on which the Notes are then listed will be notified.

## § 11 Notices

- (a) *Publications.* All notices regarding the Notes will be published in the Federal Gazette (to the extent required) and (so long as the Notes are listed on the Luxembourg Stock Exchange) on the website of the Luxembourg Stock Exchange on [www.bourse.lu](http://www.bourse.lu). Any notice will become effective for all purposes on the date of the first such publication.

- (b) *Notification to Clearing System.* So long as any Notes are listed on the Luxembourg Stock Exchange, § 11(a) shall apply. If the Rules of the Luxembourg Stock Exchange so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Noteholders, in lieu of publication as set forth in § 11(a) above; any such notice shall be deemed to have been validly given on the fifth day after the day on which the said notice was given to the Clearing System.

- (a) *Notification to Clearing System.* The Issuer shall deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Noteholders. Any such notice shall be deemed to have been validly given on the fifth day after the day on which the said notice was given to the Clearing

In the case of Notes which are listed on the Luxembourg Stock Exchange, the following applies:

In the case of Notes which are unlisted, the following applies:

folgendes:

Anleihegläubigern mitgeteilt.

System.

[(b)](c) *Mitteilungen des Anleihegläubigers.* Mitteilungen, die von einem Anleihegläubiger gemacht werden, müssen in Textform erfolgen und zusammen mit dem Nachweis seiner Inhaberschaft gemäß § 13(c)(a) an den Fiscal Agent geleitet werden. Eine solche Mitteilung kann über das Clearingsystem in der von dem Fiscal Agent und dem Clearingsystem dafür vorgesehenen Weise erfolgen.

[(b)](c) *Notices by a Noteholder.* Notices to be given by any Noteholder shall be made in text form together with an evidence of the Noteholder's entitlement in accordance with § 13(c)(a) to the Fiscal Agent. Such notice may be given through the Clearing System in such manner as the Fiscal Agent and the Clearing System may approve for such purpose.

#### § 12 **Begebung weiterer Schuldverschreibungen; Erwerb**

- (a) *Begebung weiterer Schuldverschreibungen.* Die Emittentin behält sich das Recht vor, ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme der ersten Zinszahlung) wie die vorliegenden Schuldverschreibungen zu begeben, so dass sie mit diesen eine Einheit bilden. Der Begriff "**Schuldverschreibungen**" umfasst im Fall einer solchen weiteren Begebung auch solche zusätzlich gegebenen Schuldverschreibungen.
- (b) *Erwerb.* Die Emittentin oder jede ihrer Tochtergesellschaften können jederzeit vorbehaltlich zwingender gesetzlicher Regelungen Schuldverschreibungen auf dem freien Markt oder anderweitig sowie zu jedem beliebigen Preis erwerben. Derartig erworbene Schuldverschreibungen können eingezogen, gehalten oder wieder veräußert werden.

#### § 12 **Further Issues; Purchase**

- (a) *Further Issues.* The Issuer reserves the right from time to time, without the consent of the Noteholders to issue additional notes with identical terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest, if any, on them) so as to be consolidated and form a single series with such Notes. The term "**Notes**" shall, in the event of such further issue, also comprise such further notes.
- (b) *Purchase.* The Issuer or any of its subsidiaries may at any time and subject to mandatory provisions of law purchase Notes in the open market or otherwise and at any price. Such acquired Notes may be cancelled, held or resold.

#### § 13 **Anwendbares Recht, Erfüllungsort und Gerichtsstand**

- (a) *Geltendes Recht, Erfüllungsort.* Form und Inhalt der Schuldverschreibungen sowie alle sich daraus ergebenden Rechte und Pflichten bestimmen sich ausschließlich nach dem Recht der Bundesrepublik Deutschland. Erfüllungsort ist Hamburg.
- (b) *Gerichtsstand.* Nicht-ausschließlicher Gerichtsstand für alle sich aus den in diesen Anleihebedingungen geregelten Rechtsverhältnissen ergebenden Rechtsstreitigkeiten mit der Emittentin ist Hamburg.
- (c) *Gerichtliche Geltendmachung.* Jeder Anleihegläubiger kann in Rechtsstreitigkeiten gegen die Emittentin im eigenen Namen seine Rechte aus den ihm zustehenden Schuldverschreibungen geltend machen unter Vorlage der folgenden Dokumente: (a) einer Bescheinigung seiner Depotbank, die (i) den vollen Namen und die volle Anschrift des Anleihegläubigers bezeichnet, (ii) den Nennbetrag der Schuldverschreibungen angibt, die am Ausstellungstag dieser Bescheinigung dem bei dieser Depotbank bestehenden Depot dieses Anleihegläubigers gutgeschrieben sind, und (iii) bestätigt, dass die Depotbank dem Clearingsystem und dem Fiscal Agent eine schriftliche Mitteilung zugeleitet hat, die die Angaben gemäß (i) und (ii) enthält und Bestätigungsvermerke des Clearingsystems sowie des jeweiligen Clearingsystem-

#### § 13 **Applicable Law, Place of Performance and Jurisdiction**

- (a) *Applicable law, place of performance.* The form and content of the Notes as well as all the rights and duties arising therefrom are governed exclusively by the laws of the Federal Republic of Germany. Place of performance is Hamburg.
- (b) *Jurisdiction.* Non-exclusive court of venue for all litigation with the Issuer arising from the legal relations established in these Terms and Conditions is Hamburg.
- (c) *Enforcement.* Any Noteholder may in any proceedings against the Issuer protect and enforce in its own name its rights arising under its Notes by submitting the following documents: (a) a certificate issued by its depositary bank (i) stating the full name and address of the Noteholder, (ii) specifying the principal amount of Notes credited on the date of such certificate to such Noteholder's securities account maintained with such depositary bank and (iii) confirming that the depositary bank has given a written notice to the Clearing System as well as to the Fiscal Agent containing the information pursuant to (i) and (ii) and bearing acknowledgements of the Clearing System and the relevant Clearing System account holder as well as (b) a copy of the Global Note certified by a duly authorised officer of the Clearing System or the Fiscal

Kontoinhabers trägt, sowie (b) einer von einem Vertretungsberechtigten des Clearingsystems oder des Fiscal Agent bestätigten Ablichtung der Globalurkunde.

Agent as being a true copy.

Im Falle der Anwendbarkeit der Regelungen des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (§§ 5 bis 21 SchVG), § 14 einfügen:

**§ 14 Änderung der Anleihebedingungen; Gemeinsamer Vertreter**

- (a) *Änderung der Anleihebedingungen.* Die Emittentin kann die Anleihebedingungen mit Zustimmung aufgrund Mehrheitsbeschlusses der Anleihegläubiger nach Maßgabe der §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (Schuldverschreibungsgesetz – *SchVG*) in seiner jeweiligen gültigen Fassung (das "**SchVG**") ändern. Ein Änderung der Anleihebedingungen ohne Zustimmung der Emittentin scheidet aus.

Die Anleihegläubiger können insbesondere einer Änderung wesentlicher Inhalte der Anleihebedingungen, einschließlich der in § 5 Absatz 3 SchVG vorgesehenen Maßnahmen mit Ausnahme der Ersetzung der Emittentin, die in § 10 abschließend geregelt ist, mit den in dem nachstehenden § 14(b) genannten Mehrheiten zustimmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Anleihegläubiger verbindlich.

- (b) *Mehrheitserfordernisse.* Vorbehaltlich des nachstehenden Satzes und der Erreichung der erforderlichen Beschlussfähigkeit, beschließen die Anleihegläubiger mit der einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Anleihebedingungen, insbesondere in den Fällen des § 5 Absatz 3 Nummer 1 bis 9 SchVG, geändert wird, bedürfen zu ihrer Wirksamkeit einer Mehrheit von mindestens 75% der an der Abstimmung teilnehmenden Stimmrechte (eine "**Qualifizierte Mehrheit**"). Das Stimmrecht ruht, solange die Schuldverschreibungen der Emittentin oder einem mit ihr verbundenen Unternehmen (§ 271 Absatz 2 HGB) zustehen oder für Rechnung der Emittentin oder eines mit ihr verbundenen Unternehmens gehalten werden.

- (c) *Abstimmung ohne Versammlung.* Alle Abstimmungen werden ausschließlich im Wege der Abstimmung ohne Versammlung durchgeführt. Eine Gläubigerversammlung und eine Übernahme der Kosten für eine solche Versammlung durch die Emittentin findet ausschließlich im Fall des § 18 Absatz 4 S. 2 SchVG statt.

Beschlüsse der Anleihegläubiger im Wege der Abstimmung ohne Versammlung werden nach § 18 SchVG getroffen. Die Aufforderung zur Stimmabgabe durch den Abstimmungsleiter regelt die weiteren Einzelheiten der Beschlussfassung und der Abstimmung. Mit der Aufforderung zur Stimmabgabe werden die Beschlussgegenstände sowie die Vorschläge zur Beschlussfassung den Anleihegläubigern bekannt gegeben.

**§ 14 Amendments to the Terms Conditions; Joint Representative**

- (a) *Amendment of the Terms and Conditions.* The Issuer may amend the Terms and Conditions with the consent of a majority resolution of the Noteholders pursuant to §§ 5 et seq. of the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen*) (*Schuldverschreibungsgesetz – SchVG*), as amended from time to time (the "**SchVG**"). There will be no amendment of the Terms and Conditions without the Issuer's consent.

In particular, the Noteholders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under § 5(3) of the SchVG, but excluding a substitution of the Issuer, which is exclusively subject to the provisions in § 10, by resolutions passed by such majority of the votes of the Noteholders as stated under § 14(b) below. A duly passed majority resolution will be binding upon all Noteholders.

- (b) *Majority requirements.* Except as provided by the following sentence and provided that the quorum requirements are being met, the Noteholders may pass resolutions by simple majority of the voting rights participating in the vote. Resolutions which materially change the substance of the Terms and Conditions, in particular in the cases of § 5(3) numbers 1 through 9 of the SchVG, may only be passed by a majority of at least 75% of the voting rights participating in the vote (a "**Qualified Majority**"). The voting right is suspended as long as any Notes are attributable to the Issuer or any of its affiliates (within the meaning of § 271(2) of the German Commercial Code (*Handelsgesetzbuch*)) or are being held for the account of the Issuer or any of its affiliates.

- (c) *Vote without a meeting.* All votes will be taken exclusively by vote taken without a meeting. A Noteholders' meeting and the assumption of the fees by the Issuer for such a meeting will only take place in the circumstances of § 9(4) sentence 2 of the SchVG.

Resolutions of the Noteholders by means of a voting not requiring a physical meeting (*Abstimmung ohne Versammlung*) will be made in accordance § 18 of the SchVG. The request for voting as submitted by the chairman (*Abstimmungsleiter*) will provide the further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions will be notified to Noteholders together with the request for voting.

In the case of Notes to which the German Act on Issues of Debt Securities (Sections 5 through 21 SchVG) shall apply, insert § 14:

(d) *Anmeldung.* Die Stimmrechtsausübung ist von einer vorherigen Anmeldung der Anleihegläubiger abhängig. Die Anmeldung muss bis zum dritten Tag vor dem Beginn des Abstimmungszeitraums unter der in der Aufforderung zur Stimmabgabe angegebenen Anschrift zugehen. Zusammen mit der Anmeldung müssen Anleihegläubiger den Nachweis ihrer Berechtigung zur Teilnahme an der Abstimmung durch eine besondere Bescheinigung ihrer Depotbank in Textform und die Vorlage eines Sperrvermerks der Depotbank erbringen, aus dem hervorgeht, dass die relevanten Schuldverschreibungen für den Zeitraum vom Tag der Absendung der Anmeldung (einschließlich) bis dem Ende des Abstimmungszeitraums (einschließlich) nicht übertragen werden können.

(e) *Zweite Gläubigerversammlung.* Wird die Beschlussfähigkeit bei der Abstimmung ohne Versammlung nach § 14(c)(ii) nicht festgestellt, kann der Abstimmungsleiter eine Gläubigerversammlung einberufen, welche als zweite Gläubigerversammlung im Sinne des § 15(3) Satz 3 SchVG gilt. Die Teilnahme an der zweiten Gläubigerversammlung und die Stimmrechtsausübung sind von einer vorherigen Anmeldung der Anleihegläubiger abhängig. Die Anmeldung muss bis zum dritten Tag vor der zweiten Gläubigerversammlung unter der in der Einberufung angegebenen Anschrift zugehen. Zusammen mit der Anmeldung müssen Anleihegläubiger den Nachweis ihrer Berechtigung zur Teilnahme an der Abstimmung durch eine besondere Bescheinigung ihrer Depotbank in Textform und die Vorlage eines Sperrvermerks der Depotbank erbringen, aus dem hervorgeht, dass die relevanten Schuldverschreibungen für den Zeitraum vom Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Versammlung (einschließlich) nicht übertragen werden können.

(f) *Gemeinsamer Vertreter.* Die Anleihegläubiger können durch Mehrheitsbeschluss die Bestellung und Abberufung eines gemeinsamen Vertreters, die Aufgaben und Befugnisse des gemeinsamen Vertreters, die Übertragung von Rechten der Anleihegläubiger auf den gemeinsamen Vertreter und eine Beschränkung der Haftung des gemeinsamen Vertreters bestimmen. Die Bestellung eines gemeinsamen Vertreters bedarf einer qualifizierten Mehrheit, wenn er ermächtigt wird, wesentlichen Änderungen der Anleihebedingungen gemäß § 14(b) zuzustimmen.

[Name, Adresse, Kontaktdaten des gemeinsamen Vertreters einfügen]

wird hiermit zum gemeinsamen Vertreter der

(d) *Registration.* The exercise of voting rights is subject to the registration of the Noteholders. The registration must be received at the address stated in the request for voting no later than the third day preceding the beginning of the voting period. As part of the registration, Noteholders must demonstrate their eligibility to participate in the vote by means of a special confirmation of their respective custodian bank hereof in text form and by submission of a blocking instruction by the custodian bank stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the day the voting period ends.

(e) *Second noteholders' meeting.* If it is ascertained that no quorum exists for the vote without meeting pursuant to § 14(c)(ii), the chairman (*Abstimmungsleiter*) may convene a meeting, which shall be deemed to be a second meeting within the meaning of § 15(3) sentence 3 of the SchVG. Attendance at the second meeting and exercise of voting rights is subject to the registration of the Noteholders. The registration must be received at the address stated in the convening notice no later than the third day preceding the second bondholders' meeting. Noteholders must demonstrate their eligibility to participate in the vote by means of a special confirmation of its custodian bank hereof in text form and by submission of a blocking instruction by the custodian bank stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the stated end of the meeting.

(f) *Joint representative.* The Noteholders may by majority resolution provide for the appointment or dismissal of a joint representative, the duties and responsibilities and the powers of such joint representative, the transfer of the rights of the Noteholders to the joint representative and a limitation of liability of the joint representative. Appointment of a joint representative may only be passed by a Qualified Majority if such joint representative is to be authorised to consent to a material change in the substance of the Terms and Conditions in accordance with § 14(b) hereof.

[insert name, address, contact details of the joint representative]

shall hereby be appointed as joint

Falls kein gemeinsamer Vertreter in den Anleihebedingungen bestellt wird, gilt folgendes:

Im Fall der Bestellung des gemeinsamen Vertreters in den Anleihebedingungen, gilt folgendes:

If no joint representative is designated in the Terms and Conditions, the following applies:

If the joint representative is designated in the Terms and Conditions, the following applies:



Anleihegläubiger gemäß §§ 7 und 8 SchVG ernannt.

Der gemeinsame Vertreter hat die Aufgaben und Befugnisse, welche ihm durch Gesetz oder von den Anleihegläubigern durch Mehrheitsbeschluss eingeräumt wurden. Er hat die Weisungen der Anleihegläubiger zu befolgen. Soweit er zur Geltendmachung von Rechten der Anleihegläubiger ermächtigt ist, sind die einzelnen Anleihegläubiger zur selbständigen Geltendmachung dieser Rechte nicht befugt, es sei denn der Mehrheitsbeschluss sieht dies ausdrücklich vor. Über seine Tätigkeit hat der gemeinsame Vertreter den Anleihegläubigern zu berichten. Für die Abberufung und die sonstigen Rechte und Pflichten des gemeinsamen Vertreters gelten die Vorschriften des SchVG.

Die Haftung des gemeinsamen Vertreters ist auf das Zehnfache seiner jährlichen Vergütung beschränkt, es sei denn, dem gemeinsamen Vertreter fällt Vorsatz oder grobe Fahrlässigkeit zur Last.

- (g) *Bekanntmachungen.* Bekanntmachungen betreffend diesen § 14 erfolgen gemäß den §§ 5ff. SchVG sowie nach § 11.
- (h) *Zuständiges Gericht.* Für Entscheidungen gemäß § 9 Absatz 2, § 13 Absatz 3 und § 18 Absatz 2 SchVG ist gemäß § 9 Absatz 3 SchVG das Amtsgericht zuständig, in dessen Bezirk die Emittentin ihren Sitz hat. Für Entscheidungen über die Anfechtung von Beschlüssen der Anleihegläubiger ist gemäß § 20 Absatz 3 SchVG das Landgericht ausschließlich zuständig, in dessen Bezirk die Emittentin ihren Sitz hat.]

representative of the Noteholders (*gemeinsamer Vertreter*) pursuant to §§ 7 and 8 SchVG.

The joint representative shall have the duties and powers provided by law or granted by majority resolutions of the Noteholders. The joint representative shall comply with the instructions of the Noteholders. To the extent that the joint representative has been authorised to assert certain rights of the Noteholders, the Noteholders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The joint representative shall provide reports to the Noteholders on its activities. The regulations of the SchVG apply with regard to the recall and the other rights and obligations of the joint representative.

Unless the joint representative is liable for wilful misconduct (*Vorsatz*) or gross negligence (*grobe Fahrlässigkeit*), the joint representative's liability shall be limited to ten times the amount of its annual remuneration.

- (g) *Notices.* Any notices concerning this § 14 will be made in accordance with § 5 et seq. of the SchVG and § 11.
- (h) *Competent court.* The local court (*Amtsgericht*) in the district where the Issuer has its registered office will have jurisdiction for all judgments pursuant to § 9(2), § 13(3) and § 18(2) SchVG in accordance with § 9(3) SchVG. The regional court (*Landgericht*) in the district where the Issuer has its registered office will have exclusive jurisdiction for all judgments over contested resolutions by Noteholders in accordance with § 20(3) SchVG.]

#### § [14][15] Sprache

Falls die Anleihebedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, gilt folgendes:

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

#### § [14][15] Language

These Terms and Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.

If the Terms and Conditions shall be in the German language with an English language translation, the following applies:

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

If the Terms and Conditions shall be in the English language only, the following applies:

**OPTION II**  
**Anleihebedingungen für**  
**variabel verzinsliche Schuldverschreibungen**

**§ 1 Währung, Stückelung, Form**

- (a) *Währung; Stückelung.* Die Otto (GmbH & Co KG) (die "**Emittentin**") begibt Schuldverschreibungen (die "**Schuldverschreibungen**") in [*Festgelegte Währung*] (die "**Festgelegte Währung**") im Gesamtnennbetrag von [*Festgelegte Währung*] [*Betrag*], eingeteilt in Schuldverschreibungen im festgelegten Nennbetrag von je [*Festgelegte Währung*] [*Betrag*] (der "**Festgelegte Nennbetrag**").
- (b) *Form.* Die Schuldverschreibungen lauten auf den Inhaber.
- (c) *Vorläufige Globalurkunde – Austausch.* Die Schuldverschreibungen sind zunächst in einer vorläufigen Globalurkunde (die "**Vorläufige Globalurkunde**") ohne Zinsscheine verbrieft.

Die Vorläufige Globalurkunde wird insgesamt oder teilweise und unentgeltlich am oder nach dem Tag, der 40 Tage nach dem Tag der Begebung der Schuldverschreibungen, frühestens jedoch 40 Tage nach dem Tag des Beginns des Angebots liegt, gegen Nachweis über das Nichtbestehen wirtschaftlichen U.S.-Eigentums im Sinne des U.S.-Rechts (*non-U.S. beneficial ownership*) in der in der Vorläufigen Globalurkunde vorgesehenen Form, für den Inhaber von Schuldverschreibungen gegen eine dauerhafte Globalurkunde (die "**Dauer-Globalurkunde**") (die Vorläufige Globalurkunde und die Dauer-Globalurkunde jeweils auch eine "**Globalurkunde**") ohne Zinsscheine ausgetauscht. Ein Recht der Anleihegläubiger auf Ausgabe und Lieferung von Einzelurkunden oder Zinsscheinen besteht nicht.

- (d) *Clearingsystem.* Die Vorläufige Globalurkunde und die Dauer-Globalurkunde werden solange von einem Clearingsystem oder im Auftrag eines Clearingsystems verwahrt, bis sämtliche Verpflichtungen der Emittentin aus den Schuldverschreibungen erfüllt sind.

"**Clearingsystem**" bezeichnet [bei mehr als einem Clearing System gilt folgendes: jeweils]: [Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Bundesrepublik Deutschland ("**Clearstream, Frankfurt**") ] [,] [und] [Clearstream Banking, société anonyme, 42 Avenue JF Kennedy, 1855 Luxembourg, Großherzogtum Luxemburg, ("**Clearstream, Luxemburg**") ] [und] [Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brussels, Belgien, ("**Euroclear**") ] [(Clearstream, Luxemburg und Euroclear jeweils ein "**ICSD**" und zusammen die "**ICSDs**") ] sowie jeder Funktionsnachfolger.

**OPTION II**  
**Terms and Conditions that apply to**  
**Floating Rate Notes**

**§ 1 Currency, Denomination, Form**

- (a) *Currency; Denomination.* The Notes are issued by Otto (GmbH & Co KG) (the "**Issuer**") in [*Specified Currency*] (the "**Specified Currency**"), in the aggregate principal amount of [*Specified Currency*] [*amount*], divided into notes in the specified denomination of [*Specified Currency*] [*amount*] (the "**Specified Denomination**") each (the "**Notes**").
- (b) *Form.* The Notes are issued in bearer form.
- (c) *Temporary Global Note – Exchange.* The Notes are initially represented by a temporary global Note (the "**Temporary Global Note**") without interest coupons.

The Temporary Global Note will be exchangeable, in whole or in part and free of charge to the holder of Notes, on or after the day that is 40 days after the later of the commencement of the offering and the date of issue of the Notes for a permanent global Note (the "**Permanent Global Note**") (the Temporary Global Note and the Permanent Global Note, each a "**Global Note**") without interest coupons upon certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Note. The right of the Noteholders to require the issue and delivery of definitive notes or interest coupons is excluded.

- (d) *Clearing System.* Each of the Temporary Global Note and the Permanent Global Note will be held in custody by or on behalf of a Clearing System until all obligations of the Issuer under the Notes have been satisfied.

"**Clearing System**" means [if more than one Clearing System the following applies: each of]: [Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Federal Republic of Germany ("**Clearstream, Frankfurt**") ] [,] [and] [Clearstream Banking, société anonyme, 42 Avenue JF Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg, ("**Clearstream, Luxembourg**") ] [and] [Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brussels, Belgium, ("**Euroclear**") ] [(Clearstream, Luxembourg and Euroclear each an "**ICSD**" and together the "**ICSDs**") ] and any successor in such capacity.

Im Fall von

Die Vorläufige Globalurkunde und die Dauer-

The Temporary Global Note and the Permanent

In the case of

Schuldverschreibungen, die in Form einer Classical Global Note ausgegeben werden, gilt folgendes:

Im Fall von Schuldverschreibungen, die in Form einer New Global Note ausgegeben werden, gilt folgendes:

Globalurkunde tragen jeweils die eigenhändigen Unterschriften von zwei Vertretungsberechtigten der Emittentin sowie die eigenhändige Unterschrift eines Kontrollbeauftragten des Fiscal Agent.

Die Schuldverschreibungen werden in Form einer New Global Note ("NGN") ausgegeben und von einem gemeinsamen Wertpapierverwahrer (*common safekeeper*) im Namen beider ICSDs verwahrt.

Der Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind schlüssiger Nachweis über den Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen, und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bestätigung mit dem Nennbetrag der so verbrieften Schuldverschreibungen ist ein schlüssiger Nachweis über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt.

Bei Rückzahlung oder einer Zinszahlung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen bzw. bei Kauf und Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten über Rückzahlung, Zahlung bzw. Kauf und Entwertung bezüglich der Globalurkunde *pro rata* in die Register der ICSDs eingetragen werden und dass nach dieser Eintragung vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtnennbetrag der zurückgezahlten bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.

Bei Austausch eines Anteils von ausschließlich durch eine Vorläufige Globalurkunde verbrieften Schuldverschreibungen wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Aufzeichnungen der ICSDs aufgenommen werden.

Die Vorläufige Globalurkunde und die Dauer-Globalurkunde tragen jeweils die eigenhändigen Unterschriften von zwei Vertretungsberechtigten der Emittentin sowie die eigenhändige Unterschrift eines Kontrollbeauftragten des Fiscal Agent und die eigenhändige Unterschrift eines bevollmächtigten Vertreters des gemeinsamen Wertpapierverwahrers.

(e) *Anleihegläubiger*. Den Inhabern von Schuldverschreibungen ("**Anleihegläubiger**") stehen Miteigentumsanteile an der Globalurkunde zu, die gemäß anwendbarem

Global Note shall each bear the manual signatures of two duly authorised officers of the Issuer as well as the manual signature of an authentication officer of the Fiscal Agent.

The Notes are issued in new global note ("NGN") form and are kept in custody by a common safekeeper on behalf of both ICSDs.

The aggregate principal amount of Notes represented by the Global Note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customers' interest in the Notes) shall be conclusive evidence of the aggregate principal amount of Notes represented by the Global Note and, for these purposes, a statement issued by an ICSD stating the principal amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or interest being made in respect of, or purchase and cancellation of, any of the Notes represented by the Global Note the Issuer shall procure that details of such redemption, payment or purchase and cancellation (as the case may be) in respect of the Global Note shall be entered *pro rata* in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Notes recorded in the records of the ICSDs and represented by the Global Note shall be reduced by the aggregate principal amount of the Notes so redeemed or purchased and cancelled.

On an exchange of a portion only of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered *pro rata* in the records of the ICSDs.

The Temporary Global Note and the Permanent Global Note shall each bear the manual signatures of two duly authorised officers of the Issuer as well as the manual signature of an authentication officer of the Fiscal Agent and the manual signature of an authorised officer of the common safekeeper.

(e) *Noteholders*. The holders of Notes ("**Noteholders**") are entitled to co-ownership participations in the Global Note, which are transferable in accordance with applicable laws

Notes intended to be issued in the Classical Global Note form, the following applies:

In the case of Notes intended to be issued in the New Global Note form, the following applies:

Recht und den Bestimmungen und Regeln des Clearingsystems übertragen werden können.

## § 2 Status und Negativerklärung

- (a) *Status.* Die Schuldverschreibungen begründen unmittelbare, unbedingte, nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen gegenwärtigen und zukünftigen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, soweit diesen Verbindlichkeiten nicht durch zwingende gesetzliche Bestimmungen ein Vorrang eingeräumt wird.
- (b) *Negativerklärung.* Solange die Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen dem Clearing System zur Verfügung gestellt worden sind, verpflichtet sich die Emittentin und stellt für ihre Wesentlichen Tochtergesellschaften (wie nachstehend definiert) sicher, keine Kapitalmarktverbindlichkeiten (einschließlich dafür gegebener Garantien oder Gewährleistungen) durch Belastung ihres gegenwärtigen oder zukünftigen Vermögens bzw. des Vermögens einer Wesentlichen Tochtergesellschaft zu besichern oder eine solche Besicherung bestehen zu lassen (ausgenommen Zugelassene Sicherheiten (wie nachstehend definiert)), ohne entweder die Anleihegläubiger zur gleichen Zeit und im gleichem Rang an solchen Sicherheiten teilnehmen zu lassen oder den Anleihegläubigern eine andere Sicherheit zu bestellen, die von einem unabhängigen Sachverständigen als gleichwertige Sicherheit anerkannt wird.

**"Kapitalmarktverbindlichkeit"** bezeichnet jede Verbindlichkeit zur Zahlung aufgenommener Geldbeträge, die durch Schuldverschreibungen oder sonstige Wertpapiere, die an einer Börse oder einem anderen Wertpapiermarkt (einschließlich des außerbörslichen Handels) notiert oder gehandelt werden oder werden könnten, verbrieft oder verkörpert sind sowie Schuldscheindarlehen. Nur zum Zweck dieses Absatzes gelten Verbindlichkeiten aus der Begebung von Asset-backed Schuldverschreibungen, bei denen die Rückgriffmöglichkeit eines Gläubigers solcher Schuldverschreibungen auf bestimmte Vermögenswerte oder andere Wertpapiere, die die Schuldverschreibungen besichern, begrenzt ist, nicht als Kapitalmarktverbindlichkeiten.

**"Zugelassene Sicherheiten"** sind

- (i) Sicherheiten, die kraft Gesetzes eingeräumt sind;
- (ii) Sicherheiten für Kapitalmarktverbindlichkeiten, die am Tag der Begebung der Schuldverschreibungen bereits bestehen, solange sie diese Kapitalmarktverbindlichkeiten besichern, sowie künftige diese bestehenden Sicherheiten ersetzende andere Sicherheiten bis zur gleichen Höhe, jedoch nur soweit und solange

and the rules and regulations of the Clearing System.

## § 2 Status and Negative Pledge

- (a) *Status.* The obligations under the Notes constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer ranking *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, present or future, except for any obligations preferred by mandatory provisions of law.
- (b) *Negative pledge.* So long as any of the Notes remains outstanding, but only until all amounts of principal and interest have been made available to the Clearing System, the Issuer undertakes, and shall procure in respect of its Material Subsidiaries (as defined below) neither to create nor permit to subsist any lien or other security interest (other than any Permitted Security (as defined below)) upon any of its or any of its Material Subsidiaries' present or future assets to secure any Capital Markets Indebtedness (including any guarantees or indemnities in respect thereof), without at the same time according to the Noteholders equally and rateably the same security interest or such other security as will be recognised by an independent expert as being an equal security.

**"Capital Markets Indebtedness"** means any obligation for the payment of borrowed monies which is in the form of, or represented by, bonds, notes, debentures or similar security, which are or are capable of being listed or traded on a stock exchange or other security market (including any over-the-counter market), as well as assignable loans (*Schuldscheindarlehen*). For the purposes of this subparagraph only, any indebtedness resulting from any issue of asset-backed securities under which the recourse of any holder of such securities is limited to certain assets or other securities securing those securities, shall not constitute a Capital Market Indebtedness.

**"Permitted Security"** means

- (i) any security arising by operation of law,
- (ii) any security on Capital Market Indebtedness existing on the date of issue of the Notes as long as such security is given in relation to such Capital Market Indebtedness and any other future security replacing such existing security up to the original amount thereof, but only to the extent such security is given in relation to the

sie der Besicherung der bestehenden Kapitalmarktverbindlichkeiten dienen; und

- (iii) Sicherheiten, die bei der Finanzierung von Investitionen / Akquisitionen an diesen Investitions- bzw. Akquisitionsobjekten bestellt werden.

"**Wesentliche Tochtergesellschaft**" bezeichnet (i) jede nach den International Financial Reporting Standards (IFRS) oder dem jeweils angewendeten Bilanzierungsstandard konsolidierte Tochtergesellschaft der Emittentin, deren Nettoumsatz bzw. deren Vermögenswerte gemäß ihres letzten geprüften, nicht konsolidierten Jahresabschlusses (bzw., wenn die betreffende Tochtergesellschaft selbst Konzernabschlüsse erstellt, deren konsolidierter Umsatz bzw. deren konsolidierte Vermögenswerte gemäß ihres letzten geprüften Konzernabschlusses), der für die Erstellung des letzten geprüften Konzernabschlusses der Emittentin genutzt wurde, mindestens 10% des konsolidierten Gesamtumsatzes und/oder 10% der konsolidierten Vermögenswerte der Emittentin und ihrer konsolidierten Tochtergesellschaften betragen hat oder (ii) eine Tochtergesellschaft, auf die der gesamte oder im Wesentlichen gesamte Betrieb und Vermögenswerte von einer Wesentlichen Tochtergesellschaft übertragen wurde.

"**Tochtergesellschaft**" bezeichnet jede Gesellschaft, an der die Emittentin direkt oder indirekt mehrheitlich beteiligt ist.

### § 3 Zinsen

#### (a) Zinszahlungstage.

- (i) Die Schuldverschreibungen werden bezogen auf ihren ausstehenden Nennbetrag ab dem [Verzinsungsbeginn einfügen] (der "**Verzinsungsbeginn**") (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und danach von jedem Zinszahlungstag (einschließlich) bis zum nächstfolgenden Zinszahlungstag (ausschließlich) mit einem jährlichen Satz, der dem Zinssatz (wie nachstehend definiert) entspricht, verzinst. Die Zinsen sind nachträglich an jedem Zinszahlungstag zahlbar. Der zahlbare Zinsbetrag wird gemäß § 3(c) berechnet.

- (ii) "**Zinszahlungstag**" bezeichnet, vorbehaltlich der Geschäftstagenkonvention, den

[festgelegte Zinszahlungstage einfügen] eines jeden Jahres.

Im Fall von Festgelegten Zinszahlungstagen gilt folgendes:

Im Fall von Festgelegten Zinsperioden gilt fol-

(soweit diese Anleihebedingungen keine abweichenden Bestimmungen vorsehen) jeweils den Tag, der [Zahl

existing Capital Market Indebtedness, and

- (iii) any security is given upon any investment or acquisition object with a view to secure the financing of such investment or acquisition.

"**Material Subsidiary**" means (i) any Subsidiary of the Issuer consolidated in accordance with the International Financial Reporting Standards (IFRS) or any other relevant accounting standards applicable to the Issuer, whose net revenues or total assets pursuant to its most recent audited non-consolidated financial statements (or, if the relevant Subsidiary itself prepares own consolidated financial statements, whose consolidated net revenues or consolidated total assets pursuant to its most recent audited consolidated financial statements), which was used for the preparation of the most recent audited consolidated financial statements of the Issuer amounts to at least 10% of the consolidated total net revenues and/or 10% of the consolidated total assets of the Issuer and its consolidated Subsidiaries or (ii) any Subsidiary, to whom the total of or substantially all of the business and assets of a Material Subsidiary was transferred.

"**Subsidiary**" means an entity in which the Issuer holds directly or indirectly a majority interest.

### § 3 Interest

#### (a) Interest Payment Dates.

- (i) The Notes bear interest on their outstanding principal amount at the rate per annum equal to the Rate of Interest from and including [insert Interest Commencement Date] (the "**Interest Commencement Date**") to (but excluding) the first Interest Payment Date and thereafter from (and including) each Interest Payment Date to (but excluding) the next following Interest Payment Date. Interest on the Notes will be payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with § 3(c).

- (ii) "**Interest Payment Date**" means, subject to the Business Day Convention, the

[insert Specified Interest Payment Dates] in each year.

In the case of Specified Interest Payment Dates insert:

each date which (except as otherwise provided in these Terms and Conditions) falls [insert number]

In the case of Specified Interest Periods

gendes:	<i>einfügen</i> ] [Wochen] [Monate] nach dem vorausgehenden Zinszahlungstag, oder im Fall des ersten Zinszahlungstages, nach dem Verzinsungsbeginn liegt.	[weeks] [months] after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.	insert:
	(iii) "Geschäftstagekonvention" hat die folgende Bedeutung: Fällt ein Zinszahlungstag auf einen Tag, der kein Geschäftstag (wie nachstehend definiert) ist, so wird der Zinszahlungstag	(ii) "Business Day Convention" has the following meaning: If any Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below), the Interest Payment Date shall be	
Im Fall der Modified Following Business Day Convention (adjusted) gilt folgendes:	auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.	postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day.	In the case of Modified Following Business Day Convention (adjusted), the following applies:
Im Fall der FRN-Konvention (adjusted) gilt folgendes:	auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall (i) wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen und (ii) ist jeder nachfolgende Zinszahlungstag der jeweils letzte Geschäftstag des Monats, in den dieser gefallen wäre, hätte es die Verschiebung nicht gegeben.	postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (i) the Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment.	In the case of FRN Convention (adjusted), the following applies:
Im Fall der Following Business Day Convention (adjusted) gilt folgendes:	auf den nächstfolgenden Geschäftstag verschoben.	postponed to the next day which is a Business Day.	In the case of Following Business Day Convention (adjusted), the following applies:
Im Fall der Preceding Business Day Convention (adjusted) gilt folgendes:	auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.	the immediately preceding Business Day.	In the case of Preceding Business Day Convention (adjusted), the following applies:
Falls die Festgelegte Währung Euro ist, gilt folgendes:	(iv) "Geschäftstag" bezeichnet einen Tag (außer einem Samstag oder Sonntag), (i) an dem das Clearingsystem und (ii) alle betroffenen Bereiche des Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET) geöffnet sind, um Zahlungen abzuwickeln.	(iv) "Business Day" means a day (other than a Saturday or a Sunday) on which both (i) the Clearing System and (ii) all relevant parts of the Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET) are open to effect payments.	If the Specified Currency is euro, the following applies:
Falls die Festgelegte Währung nicht Euro ist, gilt folgendes:	einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken und Devisenmärkte in <i>[sämtliche relevanten Finanzzentren einfügen]</i> und das Clearingsystem für Geschäfte geöffnet sind bzw. Zahlungen abwickeln.	a day (other than a Saturday or a Sunday) on which commercial banks and the Clearing System are generally open for business and foreign exchange markets settle payments in <i>[insert all relevant financial centres]</i> .	If the Specified Currency is not euro, the following applies:
Falls der Referenzsatz EURIBOR ist, gilt	(b) <i>Zinssatz</i> . Der "Zinssatz" für jede Zinsperiode (wie nachstehend definiert) ist der Referenzsatz (wie nachstehend definiert) <i>[[zuzüglich]</i> [abzüglich] der Marge (wie nachstehend	(b) <i>Rate of Interest</i> . The "Rate of Interest" for each Interest Period (as defined below) will be the Reference Rate (as defined below) <i>[[plus]</i> [minus] the Margin (as defined below), subject	If the Reference Rate is EURIBOR

folgendes:

definiert)], wobei der Zinssatz mindestens 0,00 % *per annum* beträgt.

(i) Der "Referenzsatz" für jede Zinsperiode ist, sofern nachstehend nichts Abweichendes bestimmt wird:

(A) wenn nur ein Angebotssatz auf der Bildschirmseite (wie nachstehend definiert) angezeigt ist, der Angebotssatz, oder

(B) wenn mehr als ein Angebotssatz auf der Bildschirmseite angezeigt wird, das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Tausendstel Prozent, wobei 0,0005 aufgerundet wird) dieser Angebotssätze,

(ausgedrückt als Prozentsatz per annum) für Einlagen in Euro für die jeweilige Zinsperiode, der bzw. die auf der Bildschirmseite am betreffenden Zinsfestsetzungstag (wie nachstehend definiert) gegen 11.00 Uhr (Brüsseler Ortszeit) angezeigt wird bzw. werden, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

(ii) Sollte die Bildschirmseite nicht zur Verfügung stehen oder wird zu dem betreffenden Zeitpunkt kein Angebotssatz angezeigt, wird die Berechnungsstelle von den Referenzbanken (wie nachstehend definiert) deren jeweilige Angebotssätze (jeweils als Prozentsatz per annum ausgedrückt) für Einlagen in der Festgelegten Währung für die betreffende Zinsperiode und über einen repräsentativen Betrag (wie nachstehend definiert) gegenüber führenden Banken im Interbankenmarkt der Euro-Zone um ca. 11.00 Uhr (Brüsseler Ortszeit) an dem betreffenden Zinsfestsetzungstag einholen. Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, ist der Referenzsatz für die betreffende Zinsperiode das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste Tausendstel Prozent, wobei 0,0005 aufgerundet wird) dieser Angebotssätze, wobei alle Feststellungen durch die Berechnungsstelle erfolgen.

to a minimum of 0.00 per cent. per annum.

(i) The "Reference Rate" for each Interest Period will, except as provided below, be:

(A) if there is only one offered quotation on the Screen Page (as defined below), the offered quotation; or

(B) if there is more than one offered quotation on the Screen Page, the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of such offered quotations,

(expressed as a percentage rate per annum) for deposits in euro for that Interest Period which appears or appear, as the case may be, on the Screen Page as of 11.00 a.m. (Brussels time) on the relevant Interest Determination Date (as defined below), all as determined by the Calculation Agent.

(ii) If the Screen Page is not available or if no such quotation appears as at such time, the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for deposits in the Specified Currency for the relevant Interest Period and in a representative amount (as defined below) to prime banks in the Euro-Zone interbank market at approximately 11:00 a.m. (Brussels time) on the relevant Interest Determination Date. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Reference Rate for such Interest Period shall be the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of such offered quotations, all as determined by the Calculation Agent.

the following applies:

(iii) Falls an dem betreffenden Zinsfestsetzungstag nur eine oder keine der Referenzbanken der Berechnungsstelle die im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Referenzsatz für die betreffende Zinsperiode der Satz per annum, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste Tausendstel Prozent, wobei 0,0005 aufgerundet wird) der Sätze ermittelt, die von der Berechnungsstelle nach Treu und Glauben ausgewählte Großbanken im Interbankenmarkt der Euro-Zone der Berechnungsstelle auf ihre Anfrage als den jeweiligen Satz nennen, zu dem sie um 11.00 Uhr (Brüsseler Ortszeit) am betreffenden Zinsfestsetzungstag Darlehen in der festgelegten Währung für die betreffende Zinsperiode und über einen repräsentativen Betrag gegenüber führenden europäischen Banken anbieten.

Für den Fall, dass der Referenzsatz nicht gemäß den vorstehenden Bestimmungen dieses Absatzes ermittelt werden kann, ist der Referenzsatz der Angebotssatz oder das arithmetische Mittel der Angebotssätze auf der Bildschirmseite, wie vorstehend beschrieben, an dem letzten Tag vor dem Zinsfestsetzungstag, an dem diese Angebotssätze angezeigt wurden.

**[Falls ein Mindestzinssatz gilt, gilt folgendes:** (iv) Wenn der gemäß den vorstehenden Bestimmungen für eine Zinsperiode ermittelte Zinssatz niedriger ist als *[Mindestzinssatz einfügen]*, so ist der Zinssatz für diese Zinsperiode *[Mindestzinssatz einfügen]*.]

**[Falls ein Höchstzinssatz gilt, gilt folgendes:** [(iv)/(v)] Wenn der gemäß den vorstehenden Bestimmungen für eine Zinsperiode ermittelte Zinssatz höher ist als *[Höchstzinssatz einfügen]*, so ist der Zinssatz für diese Zinsperiode *[Höchstzinssatz einfügen]*.]

**"Bildschirmseite"** bezeichnet Reuters Bildschirmseite EURIBOR01 oder eine andere Bildschirmseite von Reuters oder von einem anderen Informationsanbieter als Nachfolger, welche die Reuters Bildschirmseite EURIBOR01 ersetzt.

**"Euro-Zone"** bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die gemäß dem Vertrag über die Gründung der Europäischen Gemeinschaft (unterzeichnet in Rom am 25. März 1957), geändert durch den Vertrag über die Europäische Union (unterzeichnet in Maastricht am 7. Februar

(iii) If on the relevant Interest Determination Day only one or none of the selected Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Reference Rate for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by major banks in the Euro-Zone interbank market, selected by the Calculation Agent acting in good faith, at which such banks offer, as at 11:00 a.m. (Brussels time) on the relevant Interest Determination Date, loans in the Specified Currency for the relevant Interest Period and in a representative amount to leading European banks.

If the Reference Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Reference Rate shall be the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such quotations were offered.

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

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

**"Screen Page"** means Reuters screen page EURIBOR01 or such other screen page of Reuters or such other information service which is the successor to Reuters screen page EURIBOR01.

**"Euro-zone"** means the region comprised of those member states of the European Union that have adopted, or will have adopted from time to time, the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European



1992) und den Amsterdamer Vertrag vom 2. Oktober 1997, in seiner jeweiligen Fassung, eine einheitliche Währung eingeführt haben oder jeweils eingeführt haben werden.

[Die "**Marge**" beträgt [Zahl einfügen]% per annum.]

"**repräsentativer Betrag**" bezeichnet einen Betrag, der zu der jeweiligen Zeit in dem jeweiligen Markt für eine einzelne Transaktion repräsentativ ist.

"**Referenzbanken**" im Sinne von § 3(b)(ii) bezeichnet die Hauptniederlassungen von vier von der Berechnungsstelle ausgewählten großen Banken im Interbankenmarkt der Euro-Zone.

"**TARGET-Geschäftstag**" bezeichnet einen Tag, an dem das Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET) betriebsbereit ist.

"**Zinsfestsetzungstag**" bezeichnet den zweiten TARGET-Geschäftstag vor Beginn der jeweiligen Zinsperiode.

"**Zinsperiode**" bezeichnet den Zeitraum ab dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) sowie jeden folgenden Zeitraum ab einem Zinszahlungstag (einschließlich) bis zum jeweils darauf folgenden Zinszahlungstag (ausschließlich).

Union (signed in Maastricht on 7 February 1992) and the Amsterdam Treaty of 2 October 1997, as further amended from time to time.

["**Margin**" means [insert number] per cent. per annum.]

"**representative amount**" means an amount that is representative for a single transaction in the relevant market at the relevant time.

"**Reference Banks**" within the meaning of § 3(b)(ii) means the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent.

"**TARGET Business Day**" means a day on which the Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET) is operating.

"**Interest Determination Date**" means the second TARGET Business Day prior to the commencement of the relevant Interest Period.

"**Interest Period**" means each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including an Interest Payment Date to but excluding the following Interest Payment Date.

Falls der Referenzsatz LIBOR ist, gilt folgendes:

(b) *Zinssatz.* Der "**Zinssatz**" für jede Zinsperiode (wie nachstehend definiert) ist der Referenzsatz (wie nachstehend definiert) [[zuzüglich] [abzüglich] der Marge (wie nachstehend definiert)] vorbehaltlich einer Mindestverzinsung von 0,00 % per annum.

(i) Der "**Referenzsatz**" für jede Zinsperiode ist, sofern nachstehend nichts Abweichendes bestimmt wird:

(A) wenn nur ein Angebotssatz auf der Bildschirmseite (wie nachstehend definiert) angezeigt ist, der Angebotssatz, oder

(B) wenn mehr als ein Angebotssatz auf der Bildschirmseite angezeigt wird, das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Hunderttausendstel Prozent, wobei 0,000005 aufgerundet wird) dieser Angebotssätze,

(ausgedrückt als Prozentsatz per annum) für Einlagen in der Festgelegten Währung für die jeweilige Zinsperiode, der bzw. die auf der Bildschirmseite am betreffenden Zinsfestsetzungstag (wie nachstehend definiert) gegen 11.00 Uhr (Londoner Ortszeit) angezeigt wird bzw. werden zuzüglich der Marge (wie nachstehend definiert), wobei alle Festlegungen durch die

(b) *Rate of Interest.* The "**Rate of Interest**" for each Interest Period (as defined below) will be the Reference Rate (as defined below) [[plus] [minus] the Margin (as defined below)], subject to a minimum of 0.00 per cent. per annum.

(i) The "**Reference Rate**" for each Interest Period will, except as provided below, be:

(A) if there is only one offered quotation on the Screen Page (as defined below), the offered quotation; or

(B) if there is more than one offered quotation on the Screen Page, the arithmetic mean (rounded if necessary to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards) of such offered quotations,

(expressed as a percentage rate per annum) for deposits in the Specified Currency for that Interest Period which appears or appear, as the case may be, on the Screen Page as of 11.00 a.m. (London time) on the relevant Interest Determination Date (as defined below), all as determined by the Calculation Agent.

If the Reference Rate is LIBOR, the following applies:

Berechnungsstelle erfolgen.

(ii) Sollte die Bildschirmseite nicht zur Verfügung stehen oder wird zu dem betreffenden Zeitpunkt kein Angebotssatz angezeigt, wird die Berechnungsstelle von den Referenzbanken (wie nachstehend definiert) deren jeweilige Angebotssätze (jeweils als Prozentsatz per annum ausgedrückt) für Einlagen in der Festgelegten Währung für die betreffende Zinsperiode und über einen repräsentativen Betrag (wie nachstehend definiert) gegenüber führenden Banken im Londoner Interbankenmarkt um ca. 11.00 Uhr (Londoner Ortszeit) an dem betreffenden Zinsfestsetzungstag einholen. Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, ist der Referenzsatz für die betreffende Zinsperiode das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste Hunderttausendstel Prozent, wobei 0,000005 aufgerundet wird) dieser Angebotssätze, wobei alle Feststellungen durch die Berechnungsstelle erfolgen.

(iii) Falls an dem betreffenden Zinsfestsetzungstag nur eine oder keine der Referenzbanken der Berechnungsstelle die im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Referenzsatz für die betreffende Zinsperiode der Satz per annum, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste Hunderttausendstel Prozent, wobei 0,000005 aufgerundet wird) der Sätze ermittelt, die von der Berechnungsstelle nach Treu und Glauben ausgewählte Großbanken im Londoner Interbankenmarkt der Berechnungsstelle auf ihre Anfrage als den jeweiligen Satz nennen, zu dem sie um 11.00 Uhr (Londoner Ortszeit) am betreffenden Zinsfestsetzungstag Darlehen in der Festgelegten Währung für die betreffende Zinsperiode und über einen repräsentativen Betrag gegenüber führenden europäischen Banken anbieten.

Für den Fall, dass der Referenzsatz nicht gemäß den vorstehenden Bestimmungen dieses Absatzes ermittelt werden kann, ist der Referenzsatz der Angebotssatz oder das arithmetische Mittel der Angebotssätze auf der Bildschirmseite, wie vorstehend beschrieben, an dem letzten Tag vor dem Zinsfestsetzungstag, an dem diese Angebotssätze angezeigt wurden.

**[Falls ein Mindestzinssatz gilt, gilt folgendes:** (iv) Wenn der gemäß den vorstehenden Bestimmungen für eine

(ii) If the Screen Page is not available or if no such quotation appears as at such time, the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for deposits in the Specified Currency for the relevant Interest Period and in a representative amount (as defined below) to prime banks in the London interbank market at approximately 11:00 a.m. (London time) on the relevant Interest Determination Date. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Reference Rate for such Interest Period shall be the arithmetic mean (rounded if necessary to the nearest one hundred thousandth of a percentage point, with 0.000005 being rounded upwards) of such offered quotations, all as determined by the Calculation Agent.

(iii) If on the relevant Interest Determination Date only one or none of the selected Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Reference Rate for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by major banks in the London interbank market, selected by the Calculation Agent acting in good faith, at which such banks offer, as at 11:00 a.m. (London time) on the relevant Interest Determination Date, loans in the Specified Currency for the relevant Interest Period and in a representative amount to leading European banks.

If the Reference Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Reference Rate shall be the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such quotations were offered.

**[If Minimum Rate of Interest applies, the following applies:** (iv) If the Rate of Interest in respect of any

Zinsperiode ermittelte Zinssatz niedriger ist als [Mindestzinssatz einfügen], so ist der Zinssatz für diese Zinsperiode [Mindestzinssatz einfügen].]

[Falls ein Höchstzinssatz gilt, gilt folgendes: [(iv)/(v)] Wenn der gemäß den vorstehenden Bestimmungen für eine Zinsperiode ermittelte Zinssatz höher ist als [Höchstzinssatz einfügen], so ist der Zinssatz für diese Zinsperiode [Höchstzinssatz einfügen].]

"Bildschirmseite" bezeichnet Reuters Bildschirmseite LIBOR01 oder eine andere Bildschirmseite von Reuters oder von einem anderen Informationsanbieter als Nachfolger, welche die Reuters Bildschirmseite LIBOR01 ersetzt.

"Londoner Geschäftstag" bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken in London für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind.

Die "Marge" beträgt [Zahl einfügen]% per annum.

"Referenzbanken" im Sinne von § 3(b)(ii) bezeichnet die Londoner Hauptniederlassungen von vier von der Berechnungsstelle ausgewählten großen Banken im Londoner Interbankenmarkt.

"repräsentativer Betrag" bezeichnet einen Betrag, der zu der jeweiligen Zeit in dem jeweiligen Markt für eine einzelne Transaktion repräsentativ ist.

"Zinsfestsetzungstag" bezeichnet den [ersten] [zweiten] Londoner Geschäftstag [vor Beginn] der jeweiligen Zinsperiode.

"Zinsperiode" bezeichnet den Zeitraum ab dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) sowie jeden folgenden Zeitraum ab einem Zinszahlungstag (einschließlich) bis zum jeweils darauf folgenden Zinszahlungstag (ausschließlich).

- (c) *Zinsbetrag.* Die Berechnungsstelle wird zu oder baldmöglichst nach jedem Zeitpunkt, an dem der Zinssatz zu bestimmen ist, den auf die Schuldverschreibungen fälligen Zinsbetrag bezogen auf jeden Festgelegten Nennbetrag (der "Zinsbetrag") für die entsprechende Zinsperiode berechnen. Der Zinsbetrag wird ermittelt, indem der Zinssatz und der Zinstagequotient (wie nachstehend definiert) auf jeden Festgelegten Nennbetrag angewendet werden, wobei der resultierende Betrag [falls die Festgelegte Währung Euro ist einfügen: auf den nächsten 0,01 Euro auf- oder abgerundet wird, wobei 0,005 Euro aufgerundet werden.] [falls die Festgelegte Währung nicht Euro ist, einfügen: auf die

Interest Period determined in accordance with the above provisions is less than [insert Minimum Rate of Interest], the Rate of Interest for such Interest Period shall be [insert Minimum Rate of Interest].]

[If Maximum Rate of Interest applies, the following applies: [(iv)/(v)] If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is greater than [insert Maximum Rate of Interest], the Rate of Interest for such Interest Period shall be [insert Maximum Rate of Interest].]

"Screen Page" means Reuters screen page LIBOR01 or such other screen page of Reuters or such other information service which is the successor to Reuters screen page LIBOR01.

"London Business Day" means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in London.

"Margin" means [insert number] per cent. per annum.

"Reference Banks" within the meaning of § 3(b)(ii) means the principal London office of four major banks in the London inter-bank market, in each case selected by the Calculation Agent.

"representative amount" means an amount that is representative for a single transaction in the relevant market at the relevant time.

"Interest Determination Date" means the [first] [second] London Business Day [prior to the commencement] of the relevant Interest Period.

"Interest Period" means each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including an Interest Payment Date to but excluding the following Interest Payment Date.

- (c) *Interest Amount.* The Calculation Agent will, on or as soon as practicable after each date at which the Rate of Interest is to be determined, calculate the amount of interest (the "Interest Amount") payable on the Notes in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest and the Day Count Fraction (as defined below) to each Specified Denomination and rounding the resulting figure [if the Specified Currency is euro insert: to the nearest 0.01 euro, 0.005 euro being rounded upwards.] [if the Specified Currency is not euro insert: to the nearest minimum unit of the Specified Currency, with

kleinste Einheit der Festgelegten Wahrung auf- oder abgerundet wird, wobei 0,5 solcher Einheiten aufgerundet werden.]

0.5 of such unit being rounded upwards.]

**"Zinstagequotient"** bezeichnet bei der Berechnung des Zinsbetrages fur einen beliebigen Zeitraum (ab dem ersten Tag dieses Zeitraums (einschlielich) bis zum letzten Tag dieses Zeitraums (ausschlielich)) (unabhangig davon, ob es sich dabei um eine Zinsperiode handelt, der **"Zinsberechnungszeitraum"**):

**"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 day of such period) (whether or not constituting an Interest Period, the **"Calculation Period"**):

Wenn die "Actual / Actual (ISDA)" Methode anwendbar ist, gilt folgendes:

die tatsachliche Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 365 (oder, falls ein Teil dieses Zinsberechnungszeitraumes in ein Schaltjahr fallt, die Summe aus (A) der tatsachlichen Anzahl der Tage in dem Teil des Zinsberechnungszeitraums, die in das Schaltjahr fallen, dividiert durch 366 und (B) die tatsachliche Anzahl der Tage in dem Teil des Zinsberechnungszeitraums, die nicht in ein Schaltjahr fallen, dividiert durch 365).

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 not falling in a leap year divided by 365).

If "Actual / Actual (ISDA)" applies, the following applies:

Wenn die "Actual / 365 (Fixed)" Methode anwendbar ist, gilt folgendes:

die tatsachliche Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 365.

the actual number of days in the Calculation Period divided by 365.

If "Actual / 365 (Fixed)" applies, the following applies:

Wenn die "Actual / 360" Methode anwendbar ist, gilt folgendes:

die tatsachliche Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360.

the actual number of days in the Calculation Period divided by 360.

If "Actual / 360" applies, the following applies:

Wenn die "30 / 360" oder "360 / 360" oder Bond Basis Methode anwendbar ist, gilt folgendes:

die Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360, (wobei die Anzahl der Tage auf Grundlage eines Jahres von 360 Tagen mit 12 Monaten je 30 Tagen zu berechnen ist, (es sei denn, (A) der letzte Tag des Zinsberechnungszeitraums fallt auf den 31. Tag eines Monats, wahrend der erste Tag des Zinsberechnungszeitraums weder auf den 30. noch auf den 31. Tag eines Monats fallt; in diesem Fall ist der Monat des letzten Tages des Zinsberechnungszeitraums nicht als ein auf 30 Tage gekurzter Monat zu behandeln; oder (B) der letzte Tag des Zinsberechnungszeitraums fallt auf den letzten Tag des Monats Februar; in diesem Fall ist der Monat Februar nicht als ein auf 30 Tage verlangerter Monat zu behandeln).

the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).

If "30 / 360" or "360 / 360" or Bond Basis applies, the following applies:

Wenn die "30E / 360" oder "Eurobond Basis" Methode anwendbar ist, gilt folgendes:

die Anzahl der Tage im Zinsberechnungszeitraum, dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit 12 Monaten zu 30 Tagen zu ermitteln, und zwar ohne Berucksichtigung des Datums des ersten oder letzten Tages des Zinsberechnungszeitraumes).

the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period).

If "30E / 360" or "Eurobond Basis" applies, the following applies:

Falls der Referenzsatz EURIBOR ist, gilt folgendes:

(d) *Mitteilungen.* Die Berechnungsstelle wird veranlassen, dass der Zinssatz, der Zinsbetrag fur die jeweilige Zinsperiode, die jeweilige Zinsperiode und der relevante Zinszahlungstag der Emittentin und den Anleiheglaubigern

(d) *Notifications.* The Calculation Agent will cause the Rate of Interest, each Interest Amount for each Interest Period, each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and to the

If the Reference Rate is EURIBOR, the following

durch Bekanntmachung gemäß § 11 baldmöglichst, aber keinesfalls später als am vierten auf die Berechnung jeweils folgenden TARGET-Geschäftstag und jeder Börse, an der die betreffenden Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, umgehend, aber keinesfalls später als zu Beginn der jeweiligen Zinsperiode bekannt gemacht werden. Im Fall einer Verlängerung oder Verkürzung der Zinsperiode können der mitgeteilte Zinsbetrag und Zinszahlungstag ohne Vorankündigung nachträglich angepasst (oder andere geeignete Anpassungsregelungen getroffen) werden. Jede solche Anpassung wird umgehend allen Börsen, an denen die Schuldverschreibungen zu diesem Zeitpunkt notiert sind, sowie den Anleihegläubigern gemäß § 11 bekannt gemacht.

Noteholders by notice in accordance with § 11 as soon as possible after their determination, but in no event later than the TARGET-Business Day thereafter and, if required by the rules of any stock exchange on which the Notes are from time to time listed, to such stock exchange, as soon as possible after their determination, but in no event later than the first day of the relevant Interest Period. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to any stock exchange on which the Notes are then listed and to the Noteholders in accordance with § 11.

applies:

Falls der Referenzsatz LIBOR ist, gilt folgendes:

- (d) *Mitteilungen.* Die Berechnungsstelle wird veranlassen, dass der Zinssatz, der Zinsbetrag für die jeweilige Zinsperiode, die jeweilige Zinsperiode und der relevante Zinszahlungstag der Emittentin und den Anleihegläubigern durch Bekanntmachung gemäß § 11 baldmöglichst, aber keinesfalls später als am vierten auf die Berechnung jeweils folgenden Londoner Geschäftstag und jeder Börse, an der die betreffenden Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, umgehend, aber keinesfalls später als zu Beginn der jeweiligen Zinsperiode bekannt gemacht werden. Im Fall einer Verlängerung oder Verkürzung der Zinsperiode können der mitgeteilte Zinsbetrag und Zinszahlungstag ohne Vorankündigung nachträglich angepasst (oder andere geeignete Anpassungsregelungen getroffen) werden. Jede solche Anpassung wird umgehend allen Börsen, an denen die Schuldverschreibungen zu diesem Zeitpunkt notiert sind, sowie den Anleihegläubigern gemäß § 11 bekannt gemacht.
- (e) *Verbindlichkeit der Festsetzungen.* Alle Bescheinigungen, Mitteilungen, Gutachten, Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieses § 3 gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, den Fiscal Agent, die Zahlstellen und die Anleihegläubiger bindend.
- (f) *Auflaufende Zinsen.* Die Verzinsung der Schuldverschreibungen endet mit Ablauf des Tages, der dem Tag vorangeht, an dem sie zur Rückzahlung fällig sind. Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, fallen auf den ausstehenden Nennbetrag der Schuldverschreibungen ab dem Fälligkeitstag (einschließlich) bis zum Tag der tatsächlichen Rückzahlung (ausschließlich) Zinsen zum gesetzlich festgelegten Satz für Verzugszinsen gemäß §§ 288 Abs. 1, 247 Bürgerliches Gesetzbuch an.

- (d) *Notifications.* The Calculation Agent will cause the Rate of Interest, each Interest Amount for each Interest Period, each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and to the Noteholders by notice in accordance with § 11 as soon as possible after their determination, but in no event later than the London Business Day thereafter and, if required by the rules of any stock exchange on which the Notes are from time to time listed, to such stock exchange, as soon as possible after their determination, but in no event later than the first day of the relevant Interest Period. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to any stock exchange on which the Notes are then listed and to the Noteholders in accordance with § 11.
- (e) *Determinations Binding.* All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this § 3 by the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Fiscal Agent, the Paying Agents and the Noteholders.
- (f) *Accrual of Interest.* The Notes shall cease to bear interest as from the expiry of the day preceding the day on which they are due for redemption. If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding principal amount of the Notes beyond the due date until the actual redemption of the Notes at the default rate of interest established by law pursuant to §§ 288 para. 1, 247 German Civil Code (*Bürgerliches Gesetzbuch*).

If the Reference Rate is LIBOR, the following applies:

#### § 4 Rückzahlung

- (a) *Rückzahlung bei Endfälligkeit.* Soweit nicht

#### § 4 Redemption

- (a) *Redemption at maturity.* To the extent not

zuvor bereits insgesamt oder teilweise zurückgezahlt oder angekauft und eingezogen, werden die Schuldverschreibungen zu ihrem Festgelegten Nennbetrag an dem **[im Fall eines festgelegten Endfälligkeitstages einfügen: [Endfälligkeitstag einfügen]] [im Fall eines Rückzahlungsmonats einfügen: in den [Rückzahlungsmonat und Jahr einfügen] fallenden Zinszahlungstag] (der "Endfälligkeitstag")** zurückgezahlt.

(b) *Vorzeitige Rückzahlung aus Steuergründen.*

Sofern nach der Begebung der Schuldverschreibungen die Emittentin aufgrund einer an oder nach dem Tag, an dem die Begebung der ersten Tranche der Schuldverschreibungen vereinbart wird, in Kraft tretenden Gesetzesänderung (oder einer Änderung von darunter erlassenen Bestimmungen und Vorschriften) der Bundesrepublik Deutschland oder einer zur Erhebung von Steuern berechtigten Gebietskörperschaft oder Behörde der Bundesrepublik Deutschland, oder als Folge einer Änderung der offiziellen Auslegung oder Anwendung dieser Gesetze, Bestimmungen oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht, eine Regierungsstelle oder eine Aufsichtsbehörde (einschließlich des Erlasses von Gesetzen sowie der Bekanntmachung gerichtlicher oder aufsichtsrechtlicher Entscheidungen) verpflichtet ist oder verpflichtet sein wird, Zusätzliche Beträge gemäß § 6 auf die Schuldverschreibungen zu zahlen, und die Emittentin diese Verpflichtung nicht abwenden kann, indem sie zumutbare Maßnahmen ergreift, die sie nach Treu und Glauben für angemessen hält, ist die Emittentin berechtigt, die Schuldverschreibungen an jedem Zinszahlungstag (insgesamt, jedoch nicht nur teilweise) durch Erklärung gemäß § 4(e) unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen zu kündigen. Die Emittentin ist verpflichtet, jede Schuldverschreibung an dem in der Bekanntmachung festgelegten Kündigungstag zu ihrem Festgelegten Nennbetrag zuzüglich aufgelaufener Zinsen zurückzuzahlen.

Eine solche Kündigung darf nicht früher als 90 Tage vor dem Tag erfolgen, an dem die Emittentin erstmals verpflichtet wäre, Zusätzliche Beträge (wie in § 6 definiert) zu zahlen.

(c) *[Keine vorzeitige Rückzahlung nach Wahl der Emittentin] [Vorzeitige Rückzahlung nach Wahl der Emittentin].*

Die Emittentin ist nicht berechtigt, die Schuldverschreibungen vor dem Endfälligkeitstag zurückzuzahlen, außer nach Maßgabe von § 4(b) und § 4(d).

previously redeemed in whole or in part, or purchased and cancelled the Notes shall be redeemed at their Specified Denomination on **[in the case of a specified Maturity Date insert: [insert Maturity Date]] [in the case of a redemption month insert: the Interest Payment Date falling in [insert redemption month and year]] (the "Maturity Date").**

(b) *Early redemption for tax reasons.*

If at any time after the issue of the Notes the Issuer has or will become obliged to pay Additional Amounts pursuant to § 6 on the Notes, as a result of any change in, or amendment to, the laws (or any rules or regulations thereunder) of the Federal Republic of Germany or any political subdivision or any authority of or in the Federal Republic of Germany having power to tax, or as a result of any change in, or amendment to, the official interpretation or application of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination), which change or amendment becomes effective on or after the date on which agreement was reached to issue the first tranche of the Notes, and that obligation cannot be avoided by the Issuer taking such reasonable measures it (acting in good faith) deems appropriate, the Issuer may call and redeem the Notes (in whole but not in part) on any Interest Payment Date on giving not less than 30 nor more than 60 days' notice in accordance with § 4(e). The Issuer shall redeem each Note at its Specified Denomination together with accrued interest on the redemption date specified in the notice.

No such notice may be given earlier than 90 days prior to the earliest date on which the Issuer would be for the first time obliged to pay the Additional Amounts (as defined in § 6).

(c) *[No early redemption at the option of the Issuer] [Early redemption at the option of the Issuer].*

The Issuer is not entitled to call the Notes prior to the Maturity Date, otherwise than provided in § 4(b) and § 4(d).

Falls die Emittentin kein Recht hat, die Schuldverschreibungen nach § 4(c) vorzeitig zurückzuzahlen, gilt folgendes:

Falls die

Die Emittentin ist berechtigt, die

If Notes are not subject to early redemption pursuant to § 4(c), the following applies:

The Issuer may call and redeem the Notes (in

If Notes are

Emittentin das Recht hat, die Schuldverschreibungen zum Festgelegten Nennbetrag nach eigener Wahl vorzeitig zurückzahlen, gilt folgendes:

Schuldverschreibungen an dem/ den Call-Rückzahlungstag(en) (insgesamt, jedoch nicht nur teilweise) durch Erklärung gemäß § 4(e) unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen zu kündigen. Die Emittentin ist verpflichtet, jede Schuldverschreibung an dem Call-Rückzahlungstag zu ihrem Festgelegten Nennbetrag zuzüglich aufgelaufener Zinsen zurückzahlen.

**Call-Rückzahlungstag(e)]**

[*Call-Rückzahlungstag(e) einfügen*]

Falls die Anleihegläubiger ebenfalls ein Recht haben, die Schuldverschreibungen vorzeitig zu kündigen, gilt folgendes:

Der Emittentin steht dieses Recht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung bereits der Anleihegläubiger in Ausübung seines Rechts gemäß § 4(f)(i) verlangt hat.

whole but not in part) on the Call Redemption Date(s) on giving not less than 30 nor more than 60 days' notice in accordance with § 4(e). The Issuer shall redeem each Note at its Specified Denomination together with accrued interest on the Call Redemption Date.

**Call Redemption Date(s)]**

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

subject to early redemption at the option of the Issuer at their Specified Denomination, the following applies:

If Notes are also subject to early redemption at the option of the Noteholders, the following applies:

(d) *Vorzeitige Rückzahlung bei Eintritt eines Kontrollwechsels.*

(i) Ein "**Kontrollwechsel**" gilt als eingetreten, wenn eine Person oder mehrere Personen, die am Begebungstag nicht Gesellschafter der Emittentin oder ihrer Komplementärin waren und die im Sinne von § 22 Absatz 2 Wertpapierhandelsgesetz - *WpHG* abgestimmt handeln, oder einer oder mehrere Dritte, die im Auftrag einer solchen Person oder Personen handeln, zu irgendeiner Zeit mittelbar oder unmittelbar (i) mehr als 50% des Kommanditkapitals der Emittentin oder mehr als 50% des Stammkapitals ihrer Komplementärin oder (ii) eine solche Anzahl von Anteilen am Kommanditkapital der Emittentin oder Stammkapital ihrer Komplementärin erworben hat, auf die mehr als 50% der bei jeweiligen Gesellschafterversammlungen der Emittentin oder ihrer Komplementärin stimmberechtigten Stimmrechte entfallen.

(ii) Wenn ein Kontrollwechsel eingetreten ist, kann die Emittentin nach eigenem Ermessen entweder

(x) von Moody's Investors Services Limited ("**Moody's**") oder Standard & Poor's Rating Services, a division of The McGraw-Hill Companies Inc. ("**S&P**") (oder einer jeweiligen Nachfolgegesellschaft) innerhalb von 6 Monaten nach dem Kontrollwechsel mindestens ein Investment Grade Rating für die Schuldverschreibungen

(d) *Early redemption following a Change of Control.*

(i) A "**Change of Control**" will be deemed to have occurred if any person or persons, who on the Issue Date were not partners of the Issuer or shareholders its general partner, acting in concert (as defined in § 22 (2) of the German Securities Trading Act (*Wertpapierhandelsgesetz - WpHG*)) or any person or persons acting on behalf of any such person(s), at any time directly or indirectly acquire(s) (i) more than 50% of the limited liability capital (Kommanditkapital) of the Issuer or more than 50% of the share capital (*Stammkapital*) of its general partner or (ii) such number of partnership interests (*Anteile am Kommanditkapital*) of the Issuer or shares in the capital (*Anteile am Stammkapital*) of its general partner carrying more than 50% of the voting rights exercisable at respective general meetings of the Issuer or its general partner.

(ii) If a Change of Control occurs, the Issuer may at its sole discretion elect to either

(x) obtain, within six months following the Change of Control, at least an Investment Grade Rating for the Notes from Moody's Investors Services Limited ("**Moody's**") or Standard & Poor's Rating Services, a division of The McGraw-Hill Companies Inc. ("**S&P**") or its respective successor companies; or

einholen; oder

- (y) die Schuldverschreibungen insgesamt, und nicht teilweise, an dem in der Bekanntmachung festgelegten Kündigungstag zu ihrem Festgelegten Nennbetrag zuzüglich aufgelaufener Zinsen zurückzuzahlen.
- (iii) Wenn ein Kontrollwechsel eingetreten ist, wird die Emittentin innerhalb von 14 Tagen nach dem Kontrollwechsel den Anleihegläubigern davon Mitteilung gemäß § 11 machen (eine "**Kontrollwechselmitteilung**"). In der Kontrollwechselmitteilung sind die Umstände des Kontrollwechsels und die Information anzugeben, ob die Emittentin beabsichtigt, die Schuldverschreibungen zurückzuzahlen oder ein Investment Grade Rating für die Schuldverschreibungen zu beantragen. Wählt die Emittentin die Rückzahlung der Schuldverschreibungen, wird sie gleichzeitig den Rückzahlungstermin bekannt machen, der auf den nächsten Zinszahlungstag festzusetzen ist, der frühestens 30 nach Veröffentlichung der Kontrollwechselmitteilung liegt.
- (iv) Hat die Emittentin gemäß § 4(d)(ii)(x) gewählt, ein Investment Grade Rating für die Schuldverschreibungen zu beantragen, und wird ein solches Rating nicht innerhalb von sechs Monaten nach Eintritt des Kontrollwechsels erteilt, so hat die Emittentin unverzüglich einen Rückzahlungstermin für die Schuldverschreibungen gemäß § 11 bekanntzumachen, der auf den nächsten Zinszahlungstag festzusetzen ist, der frühestens 10 Tage nach Veröffentlichung der Mitteilung liegt.
- (y) redeem the Notes, in whole but not in part, at their Specified Denomination together with accrued interest on the redemption date specified in the notice.
- (iii) If a Change of Control has occurred then, within 14 days following the Change of Control the Issuer shall give notice thereof (a "**Change of Control Notice**") to the Noteholders in accordance with § 11 specifying the circumstances of the Change of Control and whether the Issuer intends to redeem the Notes or to apply for an Investment Grade Rating of the Notes. If the Issuer elects to redeem the Notes, it shall publish simultaneously the date for redemption which shall be the next subsequent Interest Payment Date falling not earlier than 30 days after publication of the Change of Control Notice.
- (iv) In the case that the Issuer has elected pursuant to § 4(d)(ii)(x) that it will apply for the assignment of an Investment Grade Rating for the Notes and such rating will not be granted within six months after the Change of Control has occurred, the Issuer shall promptly publish in accordance with § 11 a date for the redemption of the Notes which shall be the next subsequent Interest Payment Date falling not be earlier than 10 days after such publication.

"**Investment Grade Rating**" bezeichnet mindestens ein Rating von BBB- im Fall eines von S&P erteilten Ratings und Baa3 im Fall eines von Moody's (oder einer jeweiligen Nachfolgesellschaft) erteilten Ratings.

"**Investment Grade Rating**" means a level of at least BBB- (in the case of S&P) and Baa3 (in the case of Moody's) or its respective successor companies.

- (e) *Kündigungserklärung.* Die Kündigung erfolgt durch Bekanntmachung der Emittentin an die Anleihegläubiger gemäß § 11. Die Kündigung ist unwiderruflich, und in ihr wird bestimmt:
- die zur vorzeitigen Rückzahlung anstehende Serie;
  - der betreffende Tag der vorzeitigen Rückzahlung; und
  - der betreffenden Rückzahlungsbetrag, zu dem die Schuldverschreibungen vorzeitig zurückgezahlt werden.
- (e) *Notice.* The appropriate notice is a notice given by the Issuer to the Noteholders in accordance with § 11 which notice shall be irrevocable and shall specify:
- the Series of Notes subject to early redemption;
  - the applicable date of early redemption; and
  - the applicable redemption amount at which such Notes are to be redeemed early.

Die Emittentin wird jeder Börse, an der die Schuldverschreibungen notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, umgehend Mitteilung über die Kündigung machen.

The Issuer will inform, if required by such stock exchange on which the Notes are listed, such stock exchange as soon as possible of such redemption.



(f) *Vorzeitige Rückzahlung nach Wahl des Anleihegläubigers.*

Falls die Anleihegläubiger kein Recht haben, die vorzeitige Rückzahlung der Schuldverschreibungen zu verlangen, gilt folgendes:

Die Anleihegläubiger sind außer in Fällen des § 8 zu keinem Zeitpunkt berechtigt, von der Emittentin eine vorzeitige Rückzahlung der Schuldverschreibungen zu verlangen.

Falls die Anleihegläubiger ein Recht haben, die vorzeitige Rückzahlung der Schuldverschreibungen zu verlangen, gilt folgendes:

(i) Die Emittentin hat eine Schuldverschreibung nach Wahl des Anleihegläubigers am / an den Put-Rückzahlungstag(en) zum festgelegten Nennbetrag zuzüglich etwaiger bis zum Put-Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurückzuzahlen.

**Put-Rückzahlungstag(e)**

[Put-Rückzahlungstag(e) einfügen]

Dem Anleihegläubiger steht das Recht, die vorzeitige Rückzahlung zu verlangen, nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung die Emittentin zuvor gemäß § 4 verlangt hat.

(ii) Um dieses Recht auszuüben, hat der Anleihegläubiger nicht weniger als 30 und nicht mehr als 60 Tage vor dem Put-Rückzahlungstag, an dem die betreffenden Schuldverschreibungen gemäß der Ausübungserklärung (wie nachstehend definiert) zurückgezahlt werden sollen, bei der bezeichneten Geschäftsstelle des Fiscal Agent während der normalen Geschäftszeiten und über seine Depotbank und das Clearingsystem eine Erklärung zur vorzeitigen Rückzahlung ("**Ausübungserklärung**") in Textform zu hinterlegen. Für die Ausübungserklärung kann ein Formblatt, wie es bei der bezeichneten Geschäftsstelle des Fiscal Agent erhältlich ist, verwendet werden. Die Ausübungserklärung hat anzugeben:

(i) den Nennbetrag der Schuldverschreibungen, für die das Recht ausgeübt wird und (ii) die Wertpapier-Kenn-Nummer dieser Schuldverschreibungen (soweit vergeben). Die Rückzahlung der Schuldverschreibungen, für welche das Recht ausgeübt worden ist, erfolgt nur gegen Lieferung der Schuldverschreibungen an die Emittentin oder an deren Order. Die Ausübung des Rechts kann nicht widerrufen werden.

§ 5 **Zahlungen**

(f) *Early redemption at the option of a Noteholder.*

The Noteholders shall not be entitled to put the Notes for redemption otherwise than provided in § 8 at any time.

If Notes are not subject to early redemption at the option of the Noteholders, the following applies:

(i) The Issuer shall, at the option of the Noteholder, redeem such Note on the Put Redemption Date(s) at the Specified Denomination together with accrued interest, if any, to but excluding the Put Redemption Date.

If Notes are subject to early redemption at the option of the Noteholders, the following applies:

**Put Redemption Date(s)**

[insert Put Redemption Date(s)]

The Noteholder may not exercise the option for early redemption in respect of any Note which is the subject of the prior exercise by the Issuer of its right to redeem such Note in accordance with § 4.

(ii) In order to exercise the option, the Noteholder must, not less than 30 nor more than 60 days before the Put Redemption Date on which such redemption is required to be made as specified in the Put Notice (as defined below), submit during normal business hours at the specified office of the Fiscal Agent and via its depositary bank and the Clearing System an early redemption notice ("**Put Notice**") in text form. The Put Notice may be in the form available from the specified office of the Fiscal Agent. The Put Notice must specify (i) the principal amount of the Notes in respect of which such option is exercised, and (ii) the securities identification number of such Notes, if any. The Issuer shall only be required to redeem Notes in respect of which such option is exercised against delivery of such Notes to the Issuer or to its order. No option so exercised may be revoked or withdrawn.

§ 5 **Payments**

- (a) *Zahlungen.*
- (i) Die Zahlung von Kapital und Zinsen auf die Schuldverschreibungen erfolgt an das Clearingsystem oder an dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems. Die Zahlung von Zinsen auf Schuldverschreibungen, die durch eine Vorläufige Globalurkunde verbrieft sind, erfolgt nach ordnungsgemäßem Nachweis gemäß § 1(c).
- (ii) Sämtliche Zahlungen stehen in allen Fällen unter dem Vorbehalt geltender steuerlicher und sonstiger gesetzlicher Vorschriften, Richtlinien und Verordnungen oder sonstiger gesetzlicher Vorschriften, denen sich die Emittentin, der Fiscal Agent oder eine Zahlstelle unterworfen haben. Die Emittentin ist nicht für irgendwelche Steuern oder Abgaben gleich welcher Art verantwortlich, die aufgrund solcher gesetzlichen Vorschriften, Richtlinien oder Verordnungen oder Verpflichtungen auferlegt oder erhoben werden. Dies berührt jedoch nicht die Bestimmungen von § 6. Den Anleihegläubigern werden keine Kosten oder Gebühren in Bezug auf diese Zahlungen auferlegt.
- (b) *Zahlungsweise.* Zu leistende Zahlungen auf die Schuldverschreibungen erfolgen in der festgelegten Währung.
- (c) Die Emittentin wird durch Leistung der Zahlung an das Clearingsystem oder an dessen Order von ihrer Zahlungspflicht befreit.
- (d) *Zahltag.* Fällt der Fälligkeitstag einer Zahlung in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahltag ist, dann hat der Anleihegläubiger keinen Anspruch auf Zahlung vor dem nächstfolgenden Zahltag am jeweiligen Geschäftsort. Der Anleihegläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen.
- Für diese Zwecke bezeichnet "**Zahltag**" jeden Geschäftstag.

## § 6 Besteuerung

Sämtliche auf die Schuldverschreibungen zu zahlenden Beträge werden ohne Einbehalt oder Abzug von Steuern, Abgaben, Festsetzungen oder behördlicher Gebühren jedweder Art geleistet ("**Steuern**"), die von der Bundesrepublik Deutschland oder einer ihrer Gebietskörperschaften oder Behörden oder Stellen mit der Befugnis zur Erhebung von Steuern auferlegt, erhoben, eingezogen, einbehalten oder festgesetzt werden, sofern nicht die Emittentin kraft Gesetzes oder einer sonstigen Rechtsvorschrift zu einem solchen Einbehalt oder Abzug verpflichtet ist. Sofern die Emittentin zu einem solchen Einbehalt oder Abzug verpflichtet ist, wird die Emittentin zusätzliche Beträge (die "**Zusätzlichen Beträge**") an die Anleihegläubiger zahlen, so dass die Anleihegläubiger die Beträge erhalten, die sie ohne den betreffenden Einbehalt oder Abzug erhalten hätten. Solche Zusätzlichen Beträge

- (a) *Payments.*
- (i) Payment of principal and interest on the Notes shall be made to the Clearing System or to its order for credit to the relevant account holders of the Clearing System. Payment of interest on Notes represented by a Temporary Global Note shall be made, upon due certification as provided in § 1(c).
- (ii) All payments will be subject in all cases to any applicable fiscal and other laws, directives and regulations or other laws to which the Issuer, the Fiscal Agent or any Paying Agent, as the case may be, agree to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, but without prejudice to the provisions of § 6. No commission or expenses shall be charged to the Noteholders in respect of such payments.
- (b) *Manner of payment.* Payments of amounts due in respect of the Notes shall be made in the Specified Currency.
- (c) The Issuer shall be discharged by payment to, or to the order of, the Clearing System.
- (d) *Payment Business Day.* If the due date for payment of any amount in respect of any Note is not a Payment Business Day then the Noteholder shall not be entitled to payment until the next such day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.
- For these purposes, "**Payment Business Day**" means a Business Day.

## § 6 Taxation

All amounts to be paid in respect of the Notes will be paid free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected, withheld or assessed by the Federal Republic of Germany or any political subdivision or any authority or any agency of or in the Federal Republic of Germany that has power to tax, unless the Issuer is compelled by law to make such withholding or deduction. If the Issuer is required to make such withholding or deduction, the Issuer will pay such additional amounts (the "**Additional Amounts**") to the Noteholders as the Noteholders would have received if no such withholding or deduction had been required, except that no such Additional Amounts will be payable for any such Taxes in respect of any Note:

sind jedoch nicht zahlbar wegen solcher Steuern in Bezug auf Schuldverschreibungen,

- |  |  |
|--|--|
| <p>(a) die von einer als Depotbank oder Inkassobeauftragter des Anleihegläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder</p> <p>(b) die wegen einer Verbindung des betreffenden Anleihegläubigers zu der Bundesrepublik Deutschland, die nicht nur aus der bloßen Inhaberschaft der Schuldverschreibungen besteht, einzubehalten oder abzuziehen sind; oder</p> <p>(c) die aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung, eines zwischenstaatlichen Abkommens oder einer zwischenstaatlichen Verständigung über deren Besteuerung, an der die Bundesrepublik Deutschland oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung, Vereinbarung, Abkommen oder Verständigung umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder</p> <p>(d) die aufgrund einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen wirksam wird; oder</p> <p>(e) die von einer Zahlstelle abgezogen oder einbehalten werden, wenn eine andere Zahlstelle die Zahlung ohne einen solchen Abzug oder Einbehalt hätte leisten können.</p> | <p>(a) which are payable by any person acting as custodian bank or collecting agent on behalf of a Noteholder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it, or</p> <p>(b) which are to be withheld or deducted by reason of the relevant Noteholder having some connection with the Federal Republic of Germany other than the mere holding of that Note; or</p> <p>(c) which are to be withheld or deducted pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty, agreement or understanding relating to such taxation and to which the Federal Republic of Germany or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty, agreement or understanding; or</p> <p>(d) which are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due; or</p> <p>(e) which are deducted or withheld by a Paying Agent from a payment if the payment could have been made by another Paying Agent without such deduction or withholding.</p> |
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Die Emittentin ist keinesfalls verpflichtet, zusätzliche Beträge in Bezug auf einen Einbehalt oder Abzug von Beträgen zu zahlen, die gemäß Sections 1471 bis 1474 des U.S. Internal Revenue Code (in der jeweils geltenden Fassung oder gemäß Nachfolgebestimmungen), gemäß zwischenstaatlicher Abkommen, gemäß den in einer anderen Rechtsordnung in Zusammenhang mit diesen Bestimmungen erlassenen Durchführungsvorschriften oder gemäß mit dem Internal Revenue Service geschlossenen Verträgen von der Emittentin, der jeweiligen Zahlstelle oder einem anderen Beteiligten abgezogen oder einbehalten wurden ("FATCA-Steuerabzug") oder Anleger in Bezug auf einen FATCA-Steuerabzug schadlos zu halten.

In any event, the Issuer will have no obligation to pay additional amounts deducted or withheld by the Issuer, the relevant Paying Agent or any other party ("FATCA Withholding") in relation to any withholding or deduction of any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service or indemnify any investor in relation to any FATCA Withholding.

#### § 7 Vorlegung, Verjährung

- (a) *Vorlegungsfrist.* Die Vorlegungsfrist gemäß § 801 Absatz 1 Satz 1 BGB für fällige Schuldverschreibungen wird auf zehn Jahre verkürzt.
- (b) *Verjährungsfrist.* Die Verjährungsfrist für innerhalb der Vorlegungsfrist zur Zahlung vorgelegte Schuldverschreibungen beträgt zwei Jahre von dem Ende der betreffenden Vorlegungsfrist an.

#### § 7 Presentation, Prescription

- (a) *Presentation.* The period for presentation of Notes due, as established in § 801 paragraph 1 sentence 1 of the German Civil Code (*Bürgerliches Gesetzbuch*), is reduced to ten years.
- (b) *Prescription.* The period for prescription for Notes presented for payment during the presentation period shall be two years beginning at the end of the relevant presentation period.

#### § 8 Kündigungsgründe für die Anleihegläubiger

#### § 8 Events of Default

(a) *Kündigungsgründe.* Jeder Anleihegläubiger ist berechtigt, seine Schuldverschreibungen zu kündigen und deren sofortige Rückzahlung zu ihrem Festgelegten Nennbetrag zuzüglich aufgelaufener Zinsen zurückzuzahlen, falls:

- (i) die Emittentin Kapital oder Zinsen nicht innerhalb von 7 Tagen nach dem betreffenden Fälligkeitstag zahlt, oder
- (ii) die Emittentin die ordnungsgemäße Erfüllung irgendeiner anderen wesentlichen Verpflichtung aus den Schuldverschreibungen unterlässt und die Unterlassung länger als 15 Tage fort dauert, nachdem der Fiscal Agent hierüber eine Benachrichtigung von einem Anleihegläubiger erhalten hat, oder
- (iii) die Emittentin oder eine ihrer Wesentlichen Tochtergesellschaften eine Zahlungsverpflichtung aus anderen Kapitalmarktverbindlichkeiten oder aus einer Garantie oder Gewährleistung für eine solche Zahlungsverpflichtung aus Kapitalmarktverbindlichkeiten Dritter bei Fälligkeit nicht erfüllt und diese Nichterfüllung länger als 30 Tage fort dauert, nachdem die Emittentin hierüber von einem Anleihegläubiger eine Benachrichtigung erhalten hat, oder eine solche Zahlungsverpflichtung der Emittentin oder einer ihrer Wesentlichen Tochtergesellschaften infolge Vorliegens eines Kündigungsgrundes vorzeitig fällig wird, soweit der Betrag der Zahlungsverpflichtungen, einzeln oder zusammen, den Betrag von EUR 10.000.000 (oder dessen Gegenwert in einer anderen Währung oder anderen Währungen) übersteigt, oder
- (iv) die Emittentin oder eine Wesentliche Tochtergesellschaft ihre Zahlungen einstellt oder ihre Zahlungsunfähigkeit allgemein bekannt gibt, oder
- (v) ein Gericht ein Insolvenzverfahren oder ähnliches Verfahren gegen die Emittentin oder eine Wesentliche Tochtergesellschaft eröffnet, ein solches Verfahren eingeleitet und nicht innerhalb von 60 Tagen aufgehoben oder ausgesetzt worden ist, oder die Emittentin oder eine Wesentliche Tochtergesellschaft ein solches Verfahren beantragt oder einleitet, oder
- (vi) die Emittentin oder eine Wesentliche Tochtergesellschaft ihre Geschäftstätigkeit ganz oder nahezu ganz einstellt oder alle oder wesentliche Teile ihrer Vermögenswerte veräußert oder anderweitig abgibt und dadurch (i) die Emittentin den Wert ihres Vermögens wesentlich vermindert und (ii) es dadurch wahrscheinlich wird, dass die Emittentin ihre Zahlungsverpflichtungen unter den

(a) *Events of Default.* Each Noteholder shall be entitled to declare his Notes due and demand immediate redemption thereof at at their Specified Denomination together with accrued interest, in the event that

- (i) the Issuer fails to pay principal or interest within 7 days from the relevant due date; or
- (ii) the Issuer fails duly to perform any other material obligation arising from the Notes and such failure continues for more than 15 days after the Fiscal Agent has received notice thereof from a Noteholder; or
- (iii) the Issuer or any Material Subsidiary fails to fulfil any payment obligation, when due, arising from any other Capital Market Indebtedness or from any guarantee or indemnity for the payment obligation from a Capital Market Indebtedness on the part of a third party and such default continues for more than 30 days after notice of such default is given to the Issuer by a Noteholder, or any such payment obligation can become due prematurely by reason of any default of the Issuer or any Material Subsidiary, provided the amount of such payment obligations, individually or in aggregate, exceeds the amount of EUR 10,000,000 (or its equivalent in another currency or other currencies), or
- (iv) the Issuer or a Material Subsidiary ceases to effect payments or announces its inability to meet its financial obligations; or
- (v) a court institutes insolvency or similar proceedings against the Issuer or a Material Subsidiary, such proceedings are commenced and not set aside or suspended within 60 days, or the Issuer or a Material Subsidiary applies for or institutes such proceedings or offers; or
- (vi) the Issuer or a Material Subsidiary ceases all or substantially all of its business operations or sells or otherwise disposes of all or a material part of its assets and thus (i) the Issuer materially reduces the value of its assets and (ii) for this reason it becomes likely that the Issuer may not fulfil its payment obligations under the Notes; or

Schuldverschreibungen nicht mehr erfüllen kann; oder

- (vii) die Emittentin oder eine Wesentliche Tochtergesellschaft in Liquidation tritt, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung, Konsolidierung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft oder im Zusammenhang mit einer Umwandlung und die andere oder neue Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin im Zusammenhang mit diesen Schuldverschreibungen eingegangen ist.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

- (b) *Quorum.* In den Fällen des § 8(a)(ii) und/oder § 8(a)(iii) wird eine Kündigungserklärung, sofern nicht bei deren Eingang zugleich einer der in § 8(a)(i) und § 8(a)(iv) bis (vii) bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei der Hauptzahlstelle Kündigungserklärungen von Anleihegläubigern von Schuldverschreibungen im Gesamtnennbetrag von mindestens 1/10 der dann ausstehenden Schuldverschreibungen eingegangen sind.
- (c) *Bekanntmachung.* Eine Kündigung der Schuldverschreibungen gemäß § 8(a) ist in Textform in deutscher oder englischer Sprache gegenüber dem Fiscal Agent an dessen bezeichnete Geschäftsstelle zu erklären. Der Benachrichtigung ist ein Nachweis beizufügen, aus dem sich ergibt, dass der betreffende Anleihegläubiger zum Zeitpunkt der Abgabe der Benachrichtigung Inhaber der betreffenden Schuldverschreibung ist. Der Nachweis kann durch eine Bescheinigung seiner Depotbank oder auf andere geeignete Weise erbracht werden.

**§ 9 Fiscal Agent, Zahlstelle(n) und Berechnungsstelle**

- (a) *Bestellung; bezeichnete Geschäftsstelle.* Der Fiscal Agent, die Zahlstelle und die Berechnungsstelle sind nachstehend mit den benannten anfänglichen Geschäftsstellen aufgeführt:

**Fiscal Agent:**  
Deutsche Bank Aktiengesellschaft  
Taunusanlage 12  
D-60325 Frankfurt am Main

**Zahlstelle:**  
[Deutsche Bank Aktiengesellschaft  
Taunusanlage 12  
D-60325 Frankfurt am Main]

[Name und Adresse der Zahlstelle einfügen]

**Berechnungsstelle:**  
[Name und Adresse einfügen]

- (vii) the Issuer or a Material Subsidiary goes into liquidation unless this is done in connection with a merger, consolidation or other form of combination, with another company or in connection with a change in the legal form of the Issuer or a Material Subsidiary and the other or new company assumes all obligations which the Issuer has undertaken in connection with the Notes.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

- (b) *Quorum.* In the events specified in § 8(a)(ii) and/or § 8(a)(iii), any notice declaring Notes due shall, unless at the time such notice is received any of the events specified in § 8(a)(i) and § 8(a)(iv) through (vii) entitling Noteholders to declare their Notes due has occurred, become effective only when the Fiscal Agent has received such notices from the Noteholders of at least one-tenth in aggregate principal amount of Notes then outstanding.
- (c) *Form of Notice.* Any notice declaring Notes due in accordance with § 8(a) shall be made by means of a declaration in text form in the German or English language delivered to the specified office of the Fiscal Agent together with proof that such Noteholder at the time of such notice is the holder of the relevant Notes by means of a certificate of his depository bank or in any other appropriate manner.

**§ 9 Fiscal Agent, Paying Agent(s) and Calculation Agent**

- (a) *Appointment, specified office.* The Fiscal Agent, the Paying Agent and the Calculation Agent and their respective initial specified offices are as follows:

**Fiscal Agent:**  
Deutsche Bank Aktiengesellschaft  
Taunusanlage 12  
D-60325 Frankfurt am Main  
Germany

**Paying Agent:**  
[Deutsche Bank Aktiengesellschaft  
Taunusanlage 12  
D-60325 Frankfurt am Main  
Germany]

[insert name and address of Paying Agent]

**Calculation Agent:**  
[insert name and address]

- (b) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit eine andere oder zusätzliche Zahlstelle (gemeinsam mit der vorgenannten Zahlstelle, die "**Zahlstellen**" und jede eine "**Zahlstelle**") zu benennen.

Der Fiscal Agent und die Zahlstelle behalten sich das Recht vor, jederzeit ihre bezeichneten Geschäftsstellen durch eine andere bezeichnete Geschäftsstelle in derselben Stadt zu ersetzen.

Die Emittentin behält sich ferner das Recht vor, die Ernennung des Fiscal Agent, der Zahlstellen und der Berechnungsstelle jederzeit anders zu regeln oder zu beenden.

Die Emittentin wird sicherstellen, dass jederzeit (i) ein Fiscal Agent und eine Berechnungsstelle, (ii) eine Zahlstelle mit einer Geschäftsstelle in einer Stadt auf dem europäischen Festland und (iii) so lange die Schuldverschreibungen an einer Börse notiert werden, eine Zahlstelle mit einer benannten Geschäftsstelle an dem von der betreffenden Börse vorgeschriebenen Ort bestimmt ist. Der Fiscal Agent, etwaige Zahlstellen und die Berechnungsstelle behalten sich das Recht vor, jederzeit anstelle ihrer jeweils benannten Geschäftsstelle eine andere Geschäftsstelle in derselben Stadt zu bestimmen. Bekanntmachungen hinsichtlich aller Veränderungen im Hinblick auf den Fiscal Agent, etwaige Zahlstellen und die Berechnungsstelle erfolgen unverzüglich durch die Emittentin gemäß § 11.

[Falls Zahlungen bei den oder durch die Geschäftsstellen aller Zahlstellen außerhalb der Vereinigten Staaten von Amerika aufgrund der Einführung von Devisenbeschränkungen oder ähnlichen Beschränkungen hinsichtlich der vollständigen Zahlung oder des Empfangs der entsprechenden Beträge in USD widerrechtlich oder tatsächlich ausgeschlossen werden, wird die Emittentin eine Zahlstelle mit bezeichneter Geschäftsstelle in New York City, Vereinigte Staaten von Amerika, unterhalten.]

- (c) *Erfüllungsgehilfe(n) der Emittentin.* Der Fiscal Agent, die Zahlstelle(n) und die Berechnungsstelle handeln ausschließlich als Beauftragte der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber dem Anleihegläubiger; es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und dem Anleihegläubiger begründet.

## § 10 Schuldnerersetzung

- (a) *Ersetzung.*

Die Emittentin ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen auf die Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Anleihegläubiger, eine andere Gesellschaft, die direkt oder indirekt von der Emittentin kontrolliert wird, als neue Emittentin für alle sich aus oder im Zusammenhang mit den Schuldverschreibungen ergebenden Verpflichtungen mit schuldbefreiender Wirkung für die Emittentin an die Stelle der Emittentin zu setzen (die "**Neue Emittentin**"),

- (b) *Variation or termination of appointment.* The Issuer reserves the right at any time to appoint another or an additional paying agent (together with the Paying Agent specified above, the "**Paying Agents**" and each a "**Paying Agent**").

The Fiscal Agent, and the Paying Agent reserves the right at any time to change their respective specified offices to some other specified offices in the same city.

The Issuer further reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, the Paying Agent and the Calculation Agent.

The Issuer will at all times maintain (i) a Fiscal Agent and a Calculation Agent (ii) a Paying Agent with a specified office in a continental European city and (iii) so long as the Notes are listed on a stock exchange, a Paying Agent with a specified office in such city as may be required by the rules of the relevant stock exchange. The Fiscal Agent, any Paying Agents and the Calculation Agent reserve the right at any time to change their respective specified offices to some other specified office in the same city. Notice of all changes in the identities or specified offices of the Fiscal Agent, any Paying Agent or the Calculation Agent will be given promptly by the Issuer to the Noteholders in accordance with § 11.

[If payments at or through the offices of all Paying Agents outside the United States of America become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in USD, the Issuer shall maintain a Paying Agent with a specified office in New York City, United States of America.]

- (c) *Agent of the Issuer.* The Fiscal Agent, the Paying Agent(s) and the Calculation Agent act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for the Noteholder.

## § 10 Substitution

- (a) *Substitution.*

The Issuer may at any time, without the consent of the Noteholders, if no payment of principal of or interest on any of the Notes is in default, substitute for the Issuer any other company which is directly or indirectly controlled by the Issuer, as new issuer (the "**New Issuer**") in respect of all obligations arising under or in connection with the Notes with the effect of releasing the Issuer of all such obligations, if:

Falls die Festgelegte Währung USD ist, gilt folgendes:

If the Specified Currency is USD the following applies:

sofern

- (i) die Neue Emittentin sämtliche Verpflichtungen der Emittentin aus oder im Zusammenhang mit den Schuldverschreibungen übernimmt und, sofern eine Zustellung an die Neue Emittentin außerhalb der Bundesrepublik Deutschland erfolgen müsste, einen Zustellungsbevollmächtigten in der Bundesrepublik Deutschland bestellt;
- (ii) die Emittentin und die Neue Emittentin sämtliche für die Schuldnerersetzung und die Erfüllung der Verpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen erforderlichen Genehmigungen erhalten haben;
- (iii) die Neue Emittentin in der Lage ist, sämtliche zur Erfüllung der aufgrund der Schuldverschreibungen bestehenden Zahlungsverpflichtungen erforderlichen Beträge in der festgelegten Währung an das Clearingsystem zu zahlen, und zwar ohne Abzug oder Einbehalt von Steuern oder sonstigen Abgaben jedweder Art, die von dem Land (oder den Ländern), in dem (in denen) die Neue Emittentin ihren Sitz oder Steuersitz hat, auferlegt, erhoben oder eingezogen werden; und
- (iv) die Emittentin unbedingt und unwiderruflich die Verpflichtungen der Neuen Emittentin aus den Schuldverschreibungen zu Bedingungen garantiert, die sicherstellen, dass jeder Anleihegläubiger wirtschaftlich mindestens so gestellt wird, wie er ohne die Ersetzung stehen würde und eine § 2(b) entsprechende Negativklärung übernimmt.
- (v) der Hauptzahlstelle ein oder mehrere Rechtsgutachten von anerkannten Rechtsanwälten vorgelegt werden, die bestätigen, dass die Bestimmungen in den vorstehenden Unterabsätzen (i), (ii) und (iii) erfüllt wurden.

(b) *Bezugnahmen.*

- (i) Im Fall einer Schuldnerersetzung gemäß § 10(a) gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin als eine solche auf die Neue Emittentin.

Klarstellend sei erwähnt, dass dies nur gilt, soweit sich nicht aus Sinn und Zweck der jeweiligen Bedingung ergibt, dass die Bezugnahme entweder weiterhin nur auf die Otto (GmbH & Co KG) erfolgen soll, oder dass die Bezugnahme auf die Neue Emittentin und gleichzeitig auch auf die Otto (GmbH & Co KG), im Hinblick auf deren Verpflichtungen aus der Garantie gemäß § 10(a)(iv) erfolgen

- (i) the New Issuer assumes any and all obligations of the Issuer arising under or in connection with the Notes and, if service of process vis-à-vis the New Issuer would have to be effected outside the Federal Republic of Germany, appoints a process agent within the Federal Republic of Germany;

- (ii) the Issuer and the New Issuer have obtained all authorisations and approvals necessary for the substitution and the fulfilment of the obligations arising under or in connection with the Notes;

- (iii) the New Issuer is in the position to pay to the Clearing System or to the Fiscal Agent in the Specified Currency and without deducting or withholding any taxes or other duties of whatever nature imposed, levied or deducted by the country (or countries) in which the New Issuer has its domicile or tax residence all amounts required for the performance of the payment obligations arising from or in connection with the Notes; and

- (iv) the Issuer irrevocably and unconditionally guarantees such obligations of the New Issuer under the Notes on terms which ensure that each Noteholder will be put in an economic position that is at least as favourable as that which would have existed if the substitution had not taken place and assumes a negative pledge equal to § 2(b) hereof.

- (v) there shall have been delivered to the Fiscal Agent an opinion or opinions of lawyers of recognised standing to the effect that subparagraphs (i), (ii) and (iii) above have been satisfied.

(b) *References.*

- (i) In the event of a substitution pursuant to § 10(a), any reference in these Terms and Conditions to the Issuer shall be a reference to the New Issuer.

For the avoidance of doubt this shall apply only to the extent that the meaning and purpose of the relevant condition requires that the relevant reference shall continue to be a reference only to Otto (GmbH & Co KG), or that the reference shall be to the New Issuer and Otto (GmbH & Co KG), in relation to Otto (GmbH & Co KG)'s obligations under the guarantee pursuant to § 10(a)(iv) at the same

soll.

Im Fall einer Schuldnerersetzung gilt jede Bezugnahme auf die Bundesrepublik Deutschland (außer in § 13) als eine solche auf den Staat, in welchem die Neue Emittentin steuerlich ansässig ist, soweit sich aus dem vorstehenden Satz 2 nichts anderes ergibt, und in §§ 8(a)(ii)-(vii), § 4(d) und der Definition "Wesentliche Tochtergesellschaft" gilt eine alternative Bezugnahme auf die Emittentin in ihrer Eigenschaft als Garantin als aufgenommen (zusätzlich zu der Bezugnahme auf die Neue Emittentin).

- (ii) In § 8 gilt ein weiterer Kündigungsgrund als aufgenommen, der dann besteht, wenn die Garantie gemäß § 10(a)(iv) aus irgendeinem Grund nicht mehr gilt.

- (c) *Bekanntmachung und Wirksamwerden der Ersetzung.* Die Ersetzung der Emittentin ist gemäß § 11 bekanntzumachen. Mit der Bekanntmachung der Ersetzung wird die Ersetzung wirksam und die Emittentin und im Fall einer wiederholten Anwendung dieses § 10 jede frühere Neue Emittentin von ihren sämtlichen Verpflichtungen aus den Schuldverschreibungen frei. Im Fall einer solchen Schuldnerersetzung werden die Wertpapierbörsen informiert, an denen die Schuldverschreibungen notiert sind.

#### § 11 Bekanntmachungen

- (a) *Veröffentlichungen.* Alle Bekanntmachungen, die die Schuldverschreibungen betreffen, werden im Bundesanzeiger (soweit erforderlich) und (solange die Schuldverschreibungen an der Luxemburger Wertpapierbörse notiert sind) auf der Internetseite der Luxemburger Börse unter [www.bourse.lu](http://www.bourse.lu) veröffentlicht. Jede Mitteilung gilt am Tag der ersten Veröffentlichung als wirksam erfolgt.
- (b) *Mitteilungen an das Clearingsystem.* Solange Schuldverschreibungen an der Luxemburger Börse notiert sind, findet § 11(a) Anwendung. Soweit die Regeln der Luxemburger Börse dies zulassen, kann die Emittentin eine Veröffentlichung nach § 11(a) durch eine Mitteilung an das Clearingsystem zur Weiterleitung an die Anleihegläubiger ersetzen; jede derartige Mitteilung gilt am fünften Tag nach dem Tag der Mitteilung an das Clearingsystem als den Anleihegläubigern mitgeteilt.

Im Fall von Schuldverschreibungen, die an der Luxemburger Börse notiert sind, gilt folgendes:

Im Fall von Schuldverschreibungen, die nicht an einer Börse notiert sind, gilt folgendes:

time.

In the event of a substitution any reference to the Federal Republic of Germany (except in § 13) shall be a reference to the New Issuer's country of domicile for tax purposes, unless sentence 2 above provides otherwise, and in §§ 8(a)(ii)-(vii), §4(d) and the definition of "Material Subsidiary" an alternative reference to the Issuer in its capacity as guarantor shall be deemed to have been included in addition to the reference to the New Issuer.

- (ii) In § 8 a further event of default shall be deemed to have been included; such event of default shall exist in the case that the guarantee pursuant to § 10(a)(iv) is or becomes invalid for any reasons.

- (c) *Notice and effectiveness of substitution.* Notice of any substitution of the Issuer shall be given by notice in accordance with § 11. Upon such publication, the substitution shall become effective, and the Issuer and in the event of a repeated application of this § 10, any previous New Issuer shall be discharged from any and all obligations under the Notes. In the case of such substitution, the stock exchange(s), if any, on which the Notes are then listed will be notified.

#### § 11 Notices

- (a) *Publications.* All notices regarding the Notes will be published in the Federal Gazette (to the extent required) and (so long as the Notes are listed on the Luxembourg Stock Exchange) on the website of the Luxembourg Stock Exchange on [www.bourse.lu](http://www.bourse.lu). Any notice will become effective for all purposes on the date of the first such publication.
- (b) *Notification to Clearing System.* So long as any Notes are listed on the Luxembourg Stock Exchange, § 11(a) shall apply. If the Rules of the Luxembourg Stock Exchange so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Noteholders, in lieu of publication as set forth in § 11(a) above; any such notice shall be deemed to have been validly given on the fifth day after the day on which the said notice was given to the Clearing System.

In the case of Notes which are listed on the Luxembourg Stock Exchange, the following applies:

In the case of Notes which are unlisted, the following applies:



[(b)][(c)] *Mitteilungen des Anleihegläubigers.* Mitteilungen, die von einem Anleihegläubiger gemacht werden, müssen in Textform erfolgen und zusammen mit dem Nachweis seiner Inhaberschaft gemäß § 13(c)(a) an den Fiscal Agent geleitet werden. Eine solche Mitteilung kann über das Clearingsystem in der von dem Fiscal Agent und dem Clearingsystem dafür vorgesehenen Weise erfolgen.

**§ 12 Begebung weiterer Schuldverschreibungen; Erwerb**

- (a) *Begebung weiterer Schuldverschreibungen.* Die Emittentin behält sich das Recht vor, ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme der ersten Zinszahlung) wie die vorliegenden Schuldverschreibungen zu begeben, so dass sie mit diesen eine Einheit bilden. Der Begriff "**Schuldverschreibungen**" umfasst im Fall einer solchen weiteren Begebung auch solche zusätzlich gegebenen Schuldverschreibungen.
- (b) *Erwerb.* Die Emittentin oder jede ihrer Tochtergesellschaften können jederzeit vorbehaltlich zwingender gesetzlicher Regelungen Schuldverschreibungen auf dem freien Markt oder anderweitig sowie zu jedem beliebigen Preis erwerben. Derartig erworbene Schuldverschreibungen können eingezogen, gehalten oder wieder veräußert werden.

**§ 13 Anwendbares Recht, Erfüllungsort und Gerichtsstand**

- (a) *Geltendes Recht, Erfüllungsort.* Form und Inhalt der Schuldverschreibungen sowie alle sich daraus ergebenden Rechte und Pflichten bestimmen sich ausschließlich nach dem Recht der Bundesrepublik Deutschland. Erfüllungsort ist Hamburg.
- (b) *Gerichtsstand.* Nicht-ausschließlicher Gerichtsstand für alle sich aus den in diesen Anleihebedingungen geregelten Rechtsverhältnissen ergebenden Rechtsstreitigkeiten mit der Emittentin ist Hamburg.
- (c) *Gerichtliche Geltendmachung.* Jeder Anleihegläubiger kann in Rechtsstreitigkeiten gegen die Emittentin im eigenen Namen seine Rechte aus den ihm zustehenden Schuldverschreibungen geltend machen unter Vorlage der folgenden Dokumente: (a) einer Bescheinigung seiner Depotbank, die (i) den vollen Namen und die volle Anschrift des Anleihegläubigers bezeichnet, (ii) den Nennbetrag der Schuldverschreibungen angibt, die am Ausstellungstag dieser Bescheinigung dem bei dieser Depotbank bestehenden Depot dieses Anleihegläubigers gutgeschrieben sind, und (iii) bestätigt, dass die Depotbank dem Clearingsystem und dem Fiscal Agent eine schriftliche Mitteilung zugeleitet hat, die die Angaben gemäß (i) und (ii) enthält und Bestätigungsvermerke des Clearingsystems sowie des jeweiligen Clearingsystem-Kontoinhabers trägt, sowie (b) einer von einem Vertretungsberechtigten des Clearingsystems

[(b)][(c)] *Notices by a Noteholder.* Notices to be given by any Noteholder shall be made in text form together with an evidence of the Noteholder's entitlement in accordance with § 13(c)(a) to the Fiscal Agent. Such notice may be given through the Clearing System in such manner as the Fiscal Agent and the Clearing System may approve for such purpose.

**§ 12 Further Issues; Purchase**

- (a) *Further Issues.* The Issuer reserves the right from time to time, without the consent of the Noteholders to issue additional notes with identical terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest, if any, on them) so as to be consolidated and form a single series with such Notes. The term "**Notes**" shall, in the event of such further issue, also comprise such further notes.
- (b) *Purchase.* The Issuer or any of its subsidiaries may at any time and subject to mandatory provisions of law purchase Notes in the open market or otherwise and at any price. Such acquired Notes may be cancelled, held or resold.

**§ 13 Applicable Law, Place of Performance and Jurisdiction**

- (a) *Applicable law, place of performance.* The form and content of the Notes as well as all the rights and duties arising therefrom are governed exclusively by the laws of the Federal Republic of Germany. Place of performance is Hamburg.
- (b) *Jurisdiction.* Non-exclusive court of venue for all litigation with the Issuer arising from the legal relations established in these Terms and Conditions is Hamburg.
- (c) *Enforcement.* Any Noteholder may in any proceedings against the Issuer protect and enforce in its own name its rights arising under its Notes by submitting the following documents: (a) a certificate issued by its depositary bank (i) stating the full name and address of the Noteholder, (ii) specifying the principal amount of Notes credited on the date of such certificate to such Noteholder's securities account maintained with such depositary bank and (iii) confirming that the depositary bank has given a written notice to the Clearing System as well as to the Fiscal Agent containing the information pursuant to (i) and (ii) and bearing acknowledgements of the Clearing System and the relevant Clearing System accountholder as well as (b) a copy of the Global Note certified by a duly authorised officer of the Clearing System or the Fiscal Agent as being a true copy.

oder des Fiscal Agent bestätigten Ablichtung der Globalurkunde.

Im Falle der Anwendbarkeit der Regelungen des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (§§ 5 bis 21 SchVG), § 14 einfügen:

§ 14 **Änderung der Anleihebedingungen; Gemeinsamer Vertreter**

- (a) *Änderung der Anleihebedingungen.* Die Emittentin kann die Anleihebedingungen mit Zustimmung aufgrund Mehrheitsbeschlusses der Anleihegläubiger nach Maßgabe der §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (Schuldverschreibungsgesetz – *SchVG*) in seiner jeweiligen gültigen Fassung (das "**SchVG**") ändern. Ein Änderung der Anleihebedingungen ohne Zustimmung der Emittentin scheidet aus.

Die Anleihegläubiger können insbesondere einer Änderung wesentlicher Inhalte der Anleihebedingungen, einschließlich der in § 5 Absatz 3 SchVG vorgesehenen Maßnahmen mit Ausnahme der Ersetzung der Emittentin, die in § 10 abschließend geregelt ist, mit den in dem nachstehenden § 14(b) genannten Mehrheiten zustimmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Anleihegläubiger verbindlich.

- (b) *Mehrheitserfordernisse.* Vorbehaltlich des nachstehenden Satzes und der Erreichung der erforderlichen Beschlussfähigkeit, beschließen die Anleihegläubiger mit der einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Anleihebedingungen, insbesondere in den Fällen des § 5 Absatz 3 Nummer 1 bis 9 SchVG, geändert wird, bedürfen zu ihrer Wirksamkeit einer Mehrheit von mindestens 75% der an der Abstimmung teilnehmenden Stimmrechte (eine "**Qualifizierte Mehrheit**"). Das Stimmrecht ruht, solange die Schuldverschreibungen der Emittentin oder einem mit ihr verbundenen Unternehmen (§ 271 Absatz 2 HGB) zustehen oder für Rechnung der Emittentin oder eines mit ihr verbundenen Unternehmens gehalten werden.

- (c) *Abstimmung ohne Versammlung.* Alle Abstimmungen werden ausschließlich im Wege der Abstimmung ohne Versammlung durchgeführt. Eine Gläubigerversammlung und eine Übernahme der Kosten für eine solche Versammlung durch die Emittentin findet ausschließlich im Fall des § 18 Absatz 4 S. 2 SchVG statt.

Beschlüsse der Anleihegläubiger im Wege der Abstimmung ohne Versammlung werden nach § 18 SchVG getroffen. Die Aufforderung zur Stimmabgabe durch den Abstimmungsleiter regelt die weiteren Einzelheiten der Beschlussfassung und der Abstimmung. Mit der Aufforderung zur Stimmabgabe werden die Beschlussgegenstände sowie die Vorschläge zur Beschlussfassung den Anleihegläubigern bekannt gegeben.

- (d) *Anmeldung.* Die Stimmrechtsausübung ist von einer vorherigen Anmeldung der

§ 14 **Amendments to the Terms Conditions; Joint Representative**

- (a) *Amendment of the Terms and Conditions.* The Issuer may amend the Terms and Conditions with the consent of a majority resolution of the Noteholders pursuant to §§ 5 et seq. of the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen*) (*Schuldverschreibungsgesetz – SchVG*), as amended from time to time (the "**SchVG**"). There will be no amendment of the Terms and Conditions without the Issuer's consent.

In particular, the Noteholders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under § 5(3) of the SchVG, but excluding a substitution of the Issuer, which is exclusively subject to the provisions in § 10, by resolutions passed by such majority of the votes of the Noteholders as stated under § 14(b) below. A duly passed majority resolution will be binding upon all Noteholders.

- (b) *Majority requirements.* Except as provided by the following sentence and provided that the quorum requirements are being met, the Noteholders may pass resolutions by simple majority of the voting rights participating in the vote. Resolutions which materially change the substance of the Terms and Conditions, in particular in the cases of § 5(3) numbers 1 through 9 of the SchVG, may only be passed by a majority of at least 75% of the voting rights participating in the vote (a "**Qualified Majority**"). The voting right is suspended as long as any Notes are attributable to the Issuer or any of its affiliates (within the meaning of § 271(2) of the German Commercial Code (*Handelsgesetzbuch*)) or are being held for the account of the Issuer or any of its affiliates.

- (c) *Vote without a meeting.* All votes will be taken exclusively by vote taken without a meeting. A Noteholders' meeting and the assumption of the fees by the Issuer for such a meeting will only take place in the circumstances of § 9(4) sentence 2 of the SchVG.

Resolutions of the Noteholders by means of a voting not requiring a physical meeting (*Abstimmung ohne Versammlung*) will be made in accordance § 18 of the SchVG. The request for voting as submitted by the chairman (*Abstimmungsleiter*) will provide the further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions will be notified to Noteholders together with the request for voting.

- (d) *Registration.* The exercise of voting rights is subject to the registration of the Noteholders.

In the case of Notes to which the German Act on Issues of Debt Securities (Sections 5 through 21 SchVG) shall apply, insert § 14:

Anleihegläubiger abhängig. Die Anmeldung muss bis zum dritten Tag vor dem Beginn des Abstimmungszeitraums unter der in der Aufforderung zur Stimmabgabe angegebenen Anschrift zugehen. Zusammen mit der Anmeldung müssen Anleihegläubiger den Nachweis ihrer Berechtigung zur Teilnahme an der Abstimmung durch eine besondere Bescheinigung ihrer Depotbank in Textform und die Vorlage eines Sperrvermerks der Depotbank erbringen, aus dem hervorgeht, dass die relevanten Schuldverschreibungen für den Zeitraum vom Tag der Absendung der Anmeldung (einschließlich) bis dem Ende des Abstimmungszeitraums (einschließlich) nicht übertragen werden können.

- (e) *Zweite Gläubigerversammlung.* Wird die Beschlussfähigkeit bei der Abstimmung ohne Versammlung nach § 14(c)(ii) nicht festgestellt, kann der Abstimmungsleiter eine Gläubigerversammlung einberufen, welche als zweite Gläubigerversammlung im Sinne des § 15(3) Satz 3 SchVG gilt. Die Teilnahme an der zweiten Gläubigerversammlung und die Stimmrechtsausübung sind von einer vorherigen Anmeldung der Anleihegläubiger abhängig. Die Anmeldung muss bis zum dritten Tag vor der zweiten Gläubigerversammlung unter der in der Einberufung angegebenen Anschrift zugehen. Zusammen mit der Anmeldung müssen Anleihegläubiger den Nachweis ihrer Berechtigung zur Teilnahme an der Abstimmung durch eine besondere Bescheinigung ihrer Depotbank in Textform und die Vorlage eines Sperrvermerks der Depotbank erbringen, aus dem hervorgeht, dass die relevanten Schuldverschreibungen für den Zeitraum vom Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Versammlung (einschließlich) nicht übertragen werden können.

- (f) *Gemeinsamer Vertreter.* Die Anleihegläubiger können durch Mehrheitsbeschluss die Bestellung und Abberufung eines gemeinsamen Vertreters, die Aufgaben und Befugnisse des gemeinsamen Vertreters, die Übertragung von Rechten der Anleihegläubiger auf den gemeinsamen Vertreter und eine Beschränkung der Haftung des gemeinsamen Vertreters bestimmen. Die Bestellung eines gemeinsamen Vertreters bedarf einer qualifizierten Mehrheit, wenn er ermächtigt wird, wesentlichen Änderungen der Anleihebedingungen gemäß § 14(b) zuzustimmen.

[Name, Adresse, Kontaktdaten des gemeinsamen Vertreters einfügen]

wird hiermit zum gemeinsamen Vertreter der Anleihegläubiger gemäß §§ 7 und 8 SchVG ernannt.

The registration must be received at the address stated in the request for voting no later than the third day preceding the beginning of the voting period. As part of the registration, Noteholders must demonstrate their eligibility to participate in the vote by means of a special confirmation of their respective custodian bank hereof in text form and by submission of a blocking instruction by the custodian bank stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the day the voting period ends.

- (e) *Second noteholders' meeting.* If it is ascertained that no quorum exists for the vote without meeting pursuant to § 14(c)(ii), the chairman (*Abstimmungsleiter*) may convene a meeting, which shall be deemed to be a second meeting within the meaning of § 15(3) sentence 3 of the SchVG. Attendance at the second meeting and exercise of voting rights is subject to the registration of the Noteholders. The registration must be received at the address stated in the convening notice no later than the third day preceding the second bondholders' meeting. Noteholders must demonstrate their eligibility to participate in the vote by means of a special confirmation of its custodian bank hereof in text form and by submission of a blocking instruction by the custodian bank stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the stated end of the meeting.

- (f) *Joint representative.* The Noteholders may by majority resolution provide for the appointment or dismissal of a joint representative, the duties and responsibilities and the powers of such joint representative, the transfer of the rights of the Noteholders to the joint representative and a limitation of liability of the joint representative. Appointment of a joint representative may only be passed by a Qualified Majority if such joint representative is to be authorised to consent to a material change in the substance of the Terms and Conditions in accordance with § 14(b) hereof.

[insert name, address, contact details of the joint representative]

shall hereby be appointed as joint representative of the Noteholders (*gemeinsamer Vertreter*) pursuant to §§ 7 and 8

Falls kein gemeinsamer Vertreter in den Anleihebedingungen bestellt wird, gilt folgendes:

Im Fall der Bestellung des gemeinsamen Vertreters in den Anleihebedingungen, gilt folgendes:

If no joint representative is designated in the Terms and Conditions, the following applies:

If the joint representative is designated in the Terms and Conditions, the following applies:

Der gemeinsame Vertreter hat die Aufgaben und Befugnisse, welche ihm durch Gesetz oder von den Anleihegläubigern durch Mehrheitsbeschluss eingeräumt wurden. Er hat die Weisungen der Anleihegläubiger zu befolgen. Soweit er zur Geltendmachung von Rechten der Anleihegläubiger ermächtigt ist, sind die einzelnen Anleihegläubiger zur selbständigen Geltendmachung dieser Rechte nicht befugt, es sei denn der Mehrheitsbeschluss sieht dies ausdrücklich vor. Über seine Tätigkeit hat der gemeinsame Vertreter den Anleihegläubigern zu berichten. Für die Abberufung und die sonstigen Rechte und Pflichten des gemeinsamen Vertreters gelten die Vorschriften des SchVG.

Die Haftung des gemeinsamen Vertreters ist auf das Zehnfache seiner jährlichen Vergütung beschränkt, es sei denn, dem gemeinsamen Vertreter fällt Vorsatz oder grobe Fahrlässigkeit zur Last.

- (g) *Bekanntmachungen.* Bekanntmachungen betreffend diesen § 14 erfolgen gemäß den §§ 5ff. SchVG sowie nach § 11.
- (h) *Zuständiges Gericht.* Für Entscheidungen gemäß § 9 Absatz 2, § 13 Absatz 3 und § 18 Absatz 2 SchVG ist gemäß § 9 Absatz 3 SchVG das Amtsgericht zuständig, in dessen Bezirk die Emittentin ihren Sitz hat. Für Entscheidungen über die Anfechtung von Beschlüssen der Anleihegläubiger ist gemäß § 20 Absatz 3 SchVG das Landgericht ausschließlich zuständig, in dessen Bezirk die Emittentin ihren Sitz hat.

#### § [14][15] Sprache

Falls die Anleihebedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, gilt folgendes:

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

SchVG.

The joint representative shall have the duties and powers provided by law or granted by majority resolutions of the Noteholders. The joint representative shall comply with the instructions of the Noteholders. To the extent that the joint representative has been authorised to assert certain rights of the Noteholders, the Noteholders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The joint representative shall provide reports to the Noteholders on its activities. The regulations of the SchVG apply with regard to the recall and the other rights and obligations of the joint representative.

Unless the joint representative is liable for wilful misconduct (*Vorsatz*) or gross negligence (*grobe Fahrlässigkeit*), the joint representative's liability shall be limited to ten times the amount of its annual remuneration.

- (g) *Notices.* Any notices concerning this § 14 will be made in accordance with § 5 et seq. of the SchVG and § 11.
- (h) *Competent court.* The local court (*Amtsgericht*) in the district where the Issuer has its registered office will have jurisdiction for all judgments pursuant to § 9(2), § 13(3) and § 18(2) SchVG in accordance with § 9(3) SchVG. The regional court (*Landgericht*) in the district where the Issuer has its registered office will have exclusive jurisdiction for all judgments over contested resolutions by Noteholders in accordance with § 20(3) SchVG.

#### § [14][15] Language

These Terms and Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.

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

If the Terms and Conditions shall be in the German language with an English language translation, the following applies:

If the Terms and Conditions shall be in the English language only, the following applies:

## **USE OF PROCEEDS**

The net proceeds of the issuance of Notes under the Programme will be used for general corporate purposes of the Otto Group.

## DESCRIPTION OF OTTO (GMBH & CO KG)

### 1. GENERAL INFORMATION ABOUT THE ISSUER

#### 1.1. INCORPORATION, REGISTRATION, REGISTERED OFFICE AND LEGAL FORM

Otto (GmbH & Co KG) was established on 17 August 1949 under German law by Prof. Dr. h.c. Werner Otto initially as a sole proprietorship and has been conducted in the legal form of a German *Kommanditgesellschaft* (limited partnership) since the beginning of the 1960s. The partnership's name was changed from Otto Versand GmbH & Co to Otto (GmbH & Co KG) by partners' resolution of 2 September 2002. The registration of the change of the partnership's name in the commercial register was effected on 8 October 2002. The Issuer is incorporated in Germany and was established under German law for an indefinite term. The Issuer is registered with the commercial register of Hamburg under HRA 62024 and is operating under German law. The Issuer is operating under the legal name of "**Otto (GmbH & Co KG)**" and under the commercial name of "**OTTO**".

The corporate seat of the Issuer is Hamburg. The address of the head office is Werner-Otto-Straße 1-7, 22179 Hamburg, telephone number: +49 (40) 6461-0.

The financial year of Otto (GmbH & Co KG) starts on 1 March of each year and ends on the last day of February of the following year.

In accordance with German law, the "*Gesellschaft mit beschränkter Haftung & Compagnie Kommanditgesellschaft (GmbH & Co KG)*" is a special form of a limited partnership where the sole general partner is a limited liability company. The general partner (*Komplementärin*) of the Issuer is "Verwaltungsgesellschaft Otto mbH" (the "**General Partner**"). The limited partners (*Kommanditisten*) of the Issuer, as set out under 1.4, also hold all shares in the General Partner.

#### 1.2. CORPORATE OBJECTS

In accordance with Article 2 of its partnership agreement, the corporate purpose of the Issuer is the distance selling of goods and services of all kinds, retailing within the framework of officially granted authorisations and the serial production of goods offered, excluding mechanical manufacturing. In order to achieve these purposes, the Issuer is entitled to set up, acquire or participate in similar companies or companies of the same kind.

#### 1.3. LIMITED LIABILITY CAPITAL (KOMMANDITKAPITAL) OF THE ISSUER

On 29 February 2016, the limited liability capital (*Kommanditkapital*) of the Issuer amounted to EUR 820,000,000 held by the limited partners (*Kommanditisten*).

#### 1.4. OWNERSHIP STRUCTURE OF THE LIMITED LIABILITY CAPITAL (KOMMANDITKAPITAL) OF THE ISSUER

Limited Partners (*Kommanditisten*) of the Issuer are:

- OTTO Aktiengesellschaft für Beteiligungen
- GSV Aktiengesellschaft für Beteiligungen
- Kommanditgesellschaft AURUM Beteiligungs- und Verwaltungs-G.m.b.H. & Co.

These companies directly hold 100% of the limited partnership interests.

Beneficiaries of the Issuer are the Otto family and entities controlled by family members, who together hold an interest of more than 98%.

In the financial year 2014/15, Dr Michael Otto, the Otto Group's majority shareholder and Chairman of the Supervisory Board, transferred his shares to a non-profit foundation under German civil law (the "**Foundation**"). The purpose of the Foundation is to ensure that the Otto Group remains a family company for future generations.

#### 1.5. AUDITORS

KPMG AG Wirtschaftsprüfungsgesellschaft, Michaelis Quartier, Ludwig-Erhard-Straße 11-17, 20459 Hamburg, Germany (hereinafter referred to as "**KPMG**"), was appointed as the statutory auditor of the Issuer for the financial

years ended 29 February 2016 and 28 February 2015. KPMG audited the consolidated financial statements of the Issuer as of and for the financial years ended 29 February 2016 and 28 February 2015 and issued an unqualified auditor's report (*uneingeschränkte Bestätigungsvermerke*) in each case. KPMG is a member of the Chamber of Public Accountants (*Wirtschaftsprüferkammer*), Rauchstraße 26, 10787 Berlin, Germany.

## **2. ORGANISATIONAL STRUCTURE**

The Issuer is the operating company for OTTO, the Otto Group's historical core company, and also acts as holding company of the Otto Group. The Otto Group's activities are divided into three business segments, namely (i) Multichannel Retail, (ii) Financial Services and (iii) Services:

- (i) The Multichannel Retail segment comprises the Otto Group's domestic and international companies that offer their products via the three distribution channels e-commerce, catalogue business, and over-the-counter retail.
- (ii) The Financial Services segment comprises the Otto Group's offer of financial services such as debt collection, receivables management and innovative retail-related financial services.
- (iii) The Services segment comprises the Otto Group's logistics and sourcing companies. They render their services both to the Otto Group's Multichannel Retail segment and also to customers outside the Otto Group.

The Issuer performs management and control functions within the Otto Group and is responsible for supporting the Otto Group's business strategy by managing its participations and providing access to the capital markets.

## **3. BUSINESS OVERVIEW**

### **3.1. CORE BUSINESS, MOST IMPORTANT MARKETS**

Founded in 1949, the Otto Group now is a globally active group of retailers and retail-related service providers with an average of 49,597 employees and revenues of EUR 12,104 million in financial year 2015/16. The diversification and internationalisation of the Otto Group started in the mid-1970s, when a variety of investments, joint ventures and strategic partnerships turned the Otto Group into a group with operations worldwide. As of 29 February 2016, the Otto Group consists of 123 significant companies and has a presence in more than 30 countries across Europe, North and South America and Asia. It is organised into three business segments: Multichannel Retail, Financial Services and Services.

The Multichannel Retail segment is the historical core business of the Otto Group. The segment contributed EUR 9,588 million, a share of 79.2%, to the Otto Group's revenues in financial year 2015/16. The segment's EBIT amounted to EUR 178 million.

The Financial Services segment contributed EUR 678 million, a share of 5.6%, to the Otto Group's revenues in financial year 2015/16. The segment's EBIT amounted to EUR 203 million.

The Services segment's revenues amounted to EUR 1,838 million, i.e. 15.2% of the Group's revenues, in financial year 2015/16. The segment's EBIT amounted to EUR -35 million.

The Otto Group's EBIT amounted to EUR 259 million in financial year 2015/16, including inter-divisional costs of Group functions amounting to EUR 87 million, which were not allocated to one of the segments.

Germany remained the Otto Group's most important regional sales market in the financial year 2015/16, contributing 61.7% to consolidated revenues, ahead of the rest of Europe (excluding Germany and Russia) with 20.4%. North and South America contributed 14.1%, followed by Russia with 2.2% and Asia with 1.6%.

### **3.2. THE MULTICHANNEL RETAIL SEGMENT**

#### **3.2.1. OVERVIEW OF THE SEGMENT**

The Multichannel Retail segment encompasses all of the Otto Group companies that offer their products across the three sales channels e-commerce, catalogue business and over-the-counter retail. The product range includes fashion, shoes, lifestyle products, furniture and home accessories, toys as well as electronics, sports and leisure products.

E-commerce has been the major revenue driver in recent years and remains the main source of growth of this segment. Online revenues grew by 8.8% in the financial year 2015/16 and contributed 68.0% to the total revenues in the Multichannel Retail segment.

Thanks to a wide brand portfolio, the segment is diversified across a variety of countries, customer target groups and price segments. Major contributors to the revenues of the Multichannel Retail segment are described below.

### **3.2.2. OTTO**

The Group company OTTO ("**OTTO**") is the Otto Group's retailer with the highest sales. OTTO's core target group consists of women aged between 30 and 40 as well as their families. As a generalist retailer, OTTO offers a comprehensive range of fashion, furniture, electronics and other lifestyle products. The company recognised online retail as an opportunity as early as 1995, when OTTO was one of the first German mail-order companies to launch an online shop. Today, e-commerce accounts for approximately 90% of revenues of OTTO.

### **3.2.3. BONPRIX GROUP**

bonprix Handelsgesellschaft mbH ("**Bonprix**"), Hamburg, was established by the Otto Group in 1986. Bonprix sells fashion, textiles and accessories to price-conscious customer groups. Bonprix operates in 29 countries, including Germany, France, Italy, Central-Eastern Europe and Russia. Since the 1990s, the company has pursued a multichannel strategy – a mix of catalogues, branded stores in Germany, Italy, Austria and Switzerland, and e-commerce. Over the past few years, its web shop has developed into the company's main sales channel.

### **3.2.4. MYTOYS**

MyToys.de GmbH ("**myToys**") was founded as an internet start-up in the late 1990s. The Otto Group has owned a majority stake in myToys since 2000 and currently holds a stake of approximately 95%. MyToys is a specialist for toys and children's clothing. Apart from the online shop, the company also operates 14 over-the-counter stores, myToys has an international presence with online shops in France and Russia. MyToys also operates the women's online shop ambellis, as well as the online shoe shop mirapodo and the limango shopping community.

### **3.2.5. SCHWAB GROUP**

SCHWAB VERSAND GmbH ("**Schwab**") has been part of the Otto Group since 1976. As a full-range multichannel retailer, it sells fashion, technology and household products via catalogues and its online shop. With the sheego brand, Schwab is also well positioned in the important market segment for larger-size ladies' fashion.

### **3.2.6. HEINE GROUP**

Heinrich Heine GmbH ("**Heine**"), Karlsruhe, was founded by Heinrich Heine in 1951. Since 1976, Heine has been fully integrated into the Otto Group. Heine serves the high-end segments of the fashion and furniture markets and offers its products to the 35- to 55-year-old core target group via both catalogues and online shopping.

Besides the Heine brand, the Heine Group also operates other brands, such as Manufactum, which was acquired in 2008 to broaden Heine's positioning in the high-end life-style market. Manufactum sells household goods, furniture, clothing and food, all produced according to traditional standards.

### **3.2.7. BAUR GROUP**

Baur Versand (GmbH & Co KG) ("**Baur**"), based in Burgkunstadt, Germany, was founded by Dr Friedrich Baur as Germany's first mail-order shoe company in 1925. In 1997, the Otto Group gained control by acquiring an equity interest of 49% in Baur, which is still the current shareholding. The remaining 51% are held by Friedrich Baur Stiftung. The Issuer is the sole shareholder of Baur GmbH, the general partner of Baur.

Baur's range of goods covers fashion, shoes, furniture, and home accessories for customers who place high demands on quality and service. As of financial year 2015/16, roughly 80% of all orders at Baur are placed online.

Apart from the Baur brand, the Baur Group also owns a majority stake in Unito, a leading mail-order business operating in the Alpine region (Austria, Switzerland, South Tyrol).



### **3.2.8. WITT GROUP**

Josef Witt GmbH ("**Witt**") is Germany's oldest mail-order company specialised in textiles. Witt targets the 50+ age group with a range of differently positioned brands using all distribution channels – catalogue business, over-the-counter retail and online business – and is primarily active in Germany, Austria and Switzerland.

### **3.2.9. SPORTSCHECK**

SportScheck GmbH ("**SportScheck**"), Munich, became a minority participation of the Otto Group in 1988, and a wholly-owned subsidiary in 1991. SportScheck focuses on sportswear, leisure wear and accessories and currently operates 20 stores in Germany. As a multi-channel retailer, the company also sells its products via catalogue and its website.

### **3.2.10. CRATE AND BARREL GROUP**

Crate & Barrel Holdings, Inc. ("**Crate and Barrel**") was founded in 1962. The Otto Group acquired a majority stake in Crate and Barrel in 1998 and has held all voting common stock since 2011.

Crate and Barrel offers international housewares, furniture and home furnishings to demanding customers in the North American market. Crate and Barrel operates more than 100 over-the-counter retail stores, plus catalogue and online business in the USA. In addition, Crate and Barrel has expanded into Canada, as well as markets outside of North America via a franchise concept.

### **3.2.11. FREEMANS GRATTAN HOLDINGS**

Freemans PLC, founded in 1905, and Grattan PLC, founded in 1912, are multichannel retailers based in Bradford, United Kingdom. Both companies were acquired by the Otto Group in the 1990s and are now operated jointly under the umbrella of Freemans Grattan Holdings Ltd ("**FGH**").

As a generalist retailer, FGH offers a broad assortment of merchandise, ranging from fashionable clothing to household goods via e-commerce platforms catering to different target customer groups.

### **3.2.12. OTTO GROUP RUSSIA**

The Otto Group has been active in the Russian market since 1990. In 2009, the Otto Group acquired the NaDom Group, a distance-seller offering household, healthcare and cosmetics items, as well as shoes and accessories. Today, the Otto Group sells the range of products of the OTTO, Bonprix, Witt, Quelle and NaDom brands in Russia.

### **3.2.13. 3 SUISSES INTERNATIONAL**

The 3 Suisses International Group, Croix, France ("**3SI Group**"), is a distance retailer headquartered in France. Brands of the 3SI Group include 3Suisses, Venca, Unigro and 3Pagen. In addition, the 3SI Group is also active in the Service segment with its brand Mondial Relay (see chapter 3.4 below). Given the significant recurring losses of the 3SI Group's retail companies ("**3SI Commerce**"), the 3SI Group announced in March 2016 that it intends to sell all of its retail activities in order to concentrate on its service activities going forward. 3SI Commerce is therefore accounted for as "discontinued operations" in the Otto Group's financial statements.

## **3.3. THE FINANCIAL SERVICES SEGMENT**

### **3.3.1. OVERVIEW OF THE SEGMENT**

The Financial Services segment covers an international portfolio of financial services. The Financial Services segment is largely characterised by the companies of the internationally operating EOS Group. In addition, the Otto Group holds minority participations in Cofidis and Hanseatic Bank.

Third-party business with customers outside the Otto Group generates the vast majority of the segment's overall business volume.

### **3.3.2. EOS GROUP**

The EOS Group originated from a spin-off of the debt collection department of the Otto Group in 1974 and is still 100% owned by the Otto Group. The EOS Group covers a broad portfolio of retail-related financial services with a

focus on receivables management. These services include the purchase of non-performing receivables, debtor management, debt collection and dunning services. With a presence in 26 countries around the world and more than 50 subsidiaries, the EOS Group offers its approximately 20,000 clients tailor-made financial services.

With the help of an international network of partner companies, the EOS Group has access to resources in more than 150 countries. The main target industries are the banking sector, insurance companies, utilities, the telecommunications market and IT companies.

### **3.3.3. ARGOSYN**

Argosyn SA, Villeneuve d'Ascq, France ("**Argosyn**") operates certain financial service companies that historically were part of the French 3SI Group. The Otto Group's stake in Argosyn amounts to approximately 52% with an entity controlled by the Mulliez family. The companies held by Argosyn offer a range of financial services such as debt collection and insurance, primarily in France, Belgium, Spain and Luxembourg.

Argosyn holds a stake of approximately 45% in Cofidis Participations S.A. ("**Cofidis**"), a European group of consumer finance companies. Cofidis is included in the Otto Group's consolidated financial statements using the equity method. The main shareholder of Cofidis is the French cooperative bank Banque Fédérative du Crédit Mutuel, Strasbourg, France ("**Crédit Mutuel**"). Crédit Mutuel has the option to increase its shareholding until 2017.

In 2015, Argosyn sold its stake in JM BRUNEAU, Villebon-sur-Yvette, France, as well as its subsidiaries in Belgium and Spain (together "**Bruneau**"). Bruneau is an e-commerce retailer of office supplies with a focus on B2B customers. The sale became effective in March 2015. As part of the Otto Group's portfolio management process, further assets of Argosyn may be disposed of in the future.

### **3.3.4. HANSEATIC BANK**

Hanseatic Bank GmbH & Co KG, Hamburg ("**Hanseatic Bank**") was established by the Otto Group in 1969 to provide consumer credits to mail-order customers. Today, Hanseatic Bank provides individual financing solutions for its customers and partners in the areas of deposit-taking, real-estate-related financing, receivables management and credit cards. The Otto Group sold 75% of the shares in Hanseatic Bank to Société Générale in 2005. As of 29 February 2016, the Otto Group's stake in Hanseatic Bank is 25%. Hanseatic Bank is included in the Otto Group's consolidated financial statements using the equity method.

## **3.4. THE SERVICES SEGMENT**

The companies bundled in the Services segment allow the Otto Group to offer a wide range of retail-related services. The Services segment is mainly characterized by Hermes. The companies operating under the Hermes brand offer all services along the logistics value chain – from procurement, through quality testing, transport, warehousing up to delivery to private and business customers.

By founding Hermes in 1972, the Otto Group set the base for an international logistic group. Today, Hermes provides logistic operations not only for retail companies within the Otto Group, but has also firmly established itself as an independent service provider in the marketplace, serving a large number of well-known retailers across Europe.

In Germany, Hermes is among the leading parcel delivery services in Germany, according to the Issuer's own estimates.

Besides Germany, the Otto Group provides logistic services in European key markets, including the UK via Parcelnet Limited and France via Mondial Relay. Hermes is also present in Russia, where it owns a 51% stake in a joint venture with DPD Dynamic Parcel Distribution GmbH & Co KG providing parcel delivery services.

## **4. FINANCING**

The Otto Group uses a variety of financial instruments to finance its business, e.g. bilateral bank loans, asset backed financings and bond financing. The financing portfolio is spread across a well-balanced maturity profile.

The Otto Group has access to a considerable amount of credit lines granted by several banks on a bilateral basis. The use of these credit lines fluctuates throughout the year, but the Otto Group seeks to maintain a significant undrawn amount of credit lines at any time.

## 5. INVESTMENTS

The following are key areas for investment of the Otto Group:

**New business models:** The Otto Group continues to see significant growth potential in the e-commerce sector and seeks to benefit from the dynamic development, amongst others via investments in innovative business models. The fashion startup Collins GmbH & Co. KG ("**Collins**") is a major example of this investment strategy. With the creation of aboutyou.de, Collins has launched the first "open commerce" platform in the German marketplace, which seeks to inspire the digital generation of fashion shoppers via a range of externally developed apps. The Otto Group expects to continue to invest significantly in Collins in financial year 2016/17.

**Venture capital:** The Otto Group has been active in the venture capital business since 2008, and is currently invested in over 100 participations. Through the venture capital company e.ventures, the Otto Group holds stakes in various start-up companies around the world. Since 2012, the Otto Group is a shareholder in the early-stage fund Project A Ventures, which supports young online companies in the startup phase. In total, the Otto Group has already invested a three-digit million sum in participations in new business concepts via e.ventures and Project A Ventures and intends to continue to invest in promising start-ups in the coming years.

**Logistics infrastructure:** In the Services segment, Hermes invests into the optimisation of its logistics network in Germany in order to increase capacity, reach new customer segments and increase delivery speed. Internationally, the Otto Group invests into the expansion of its Services segment in attractive e-commerce markets, for example at Hermes Parcelnet in the UK.

**IT infrastructure:** In order to be competitive in the fast-paced e-commerce market, state-of-the art technology is a key prerequisite. For this reason, the Otto Group continuously invests significant amounts into its IT infrastructure.

## 6. MATERIAL CONTRACTS

The Otto Group did not enter into any contracts outside the ordinary course of business which could result in any obligation or entitlement that is material to the Issuer's ability to meet its obligations to the Noteholders in respect of the Notes.

However, the Otto Group enters into agreements including put and call options which might lead to a sale or purchase of shares in certain participations in the future. As part of the sale of a majority stake in Cofidis in 2008, an agreement containing several put and call options was concluded with the new majority shareholder of Cofidis, French cooperative bank Crédit Mutuel. Pursuant to this agreement, the Otto Group's stake in Cofidis, which it indirectly holds via its stake in Argosyn, may be further reduced until 2017. Furthermore, the Otto Group concludes profit and loss agreements as well as loss transfer declarations with its subsidiaries in the usual course of its business.

## 7. CORPORATE GOVERNANCE

The corporate bodies governing the Otto Group are:

- the executive board (*Geschäftsführung*) of the General Partner ("**Executive Board**");
- the general partners' meeting (*Gesellschafterversammlung*) ("**General Partners' Meeting**");
- the partners' committee (*Gesellschafterrat*) ("**Partners' Committee**");
- the supervisory board (*Aufsichtsrat*) of the General Partner ("**Supervisory Board**").

The General Partner is exclusively responsible for managing the business of the Issuer. Pursuant to its articles of association, the General Partner acts through its managing directors, who are appointed and dismissed by the Supervisory Board.

### 7.1. EXECUTIVE BOARD

The members of the Executive Board of the General Partner are:

Hans-Otto Schrader, Hamburg

Chairman of the Executive Board and Chief Executive Officer Otto Group (CEO) (until 31 December 2016)

Dr. Rainer Hillebrand, Hamburg  
Vice Chairman and Member of the Executive Board, Corporate Strategy, E-Commerce & Business Intelligence  
Otto Group

Alexander Birken, Hamburg  
Member of the Executive Board, Multichannel Distance Selling Otto Group, Spokesman OTTO (until 31  
December 2016  
Chairman of the Executive Board and Chief Executive Officer Otto Group (CEO) (from 1 January 2017)

Neela Montgomery, St. Albans, Great Britain  
Member of the Executive Board, Multichannel Retail Otto Group

Petra Scharner-Wolff, Hamburg  
Member of the Executive Board, Chief Financial Officer Otto Group (CFO)

Hanjo Schneider, Hamburg  
Member of the Executive Board, Services Otto Group

Dr. Winfried Zimmermann, Hamburg  
Member of the Executive Board, Projects, Controlling, Transformation and IT Otto Group

Dr. Marcus Ackermann, Hamburg  
Member of the Executive Board, Multichannel Distance Selling Otto Group (from 1 January 2017)

In May 2016, the Otto Group announced that Alexander Birken, currently Member of the Executive Board for Multichannel Distance Selling, will take over as Chairman of the Executive Board from 1 January 2017. Current CEO Hans-Otto Schrader will step down at his own wish, having reached the age limit of 60 for Otto Group Executive Board Members. His successor, Alexander Birken, aged 51, joined the Otto Group in 1991 and has been member of the Executive Board since 2005.

Alexander Birken's successor as Member of the Executive Board for Multichannel Distance Selling as of 1 January 2017 will be Dr Marcus Ackermann, aged 50, who is currently Chairman of the Bonprix Group Executive Board. Dr Ackermann has worked at Bonprix since 2001 and has been Chairman of the Executive Board of the Bonprix Group since 2012.

In addition, the Otto Group also announced that Hanjo Schneider, aged 54, Member of the Executive Board for Services, and Chairman of the Hermes Europe GmbH Supervisory Board, on the request of the Otto Group Supervisory Board has agreed to an extension of his contract – originally scheduled to expire at the end of 2016 – by a further year in order to be able to drive forward major strategic projects for the Hermes Group up to 31 December 2017.

## 7.2. EXTERNAL MANDATES OF THE EXECUTIVE BOARD MEMBERS

The following list sets forth the mandates that the members of the Executive Board currently perform outside the Otto Group:

- |    |                         |   |
|----|-------------------------|---|
| 1. | Hans-Otto Schrader      | Member of the Advisory Board ( <i>Beirat</i> ) "Dr. August Oetker KG", Bielefeld  |
| 2. | Alexander Birken        | Chairman of the Executive Board ( <i>Vorstandsvorsitzender</i> ) "The Young ClassX e. V."<br>Member of the Curatorship ( <i>Kuratorium</i> ) "HSBA Hamburg School of Business Administration"<br>Member of the Curatorship ( <i>Kuratorium</i> ) "WERTE ERLEBEN e. V."<br>Member of "Ost-Ausschuss der Deutschen Wirtschaft"<br>Member of the Executive Board ( <i>Vorstand</i> ) and of the Steering Committee ( <i>Präsidium</i> ) "Handelsverband Deutschland (HDE)" |
| 3. | Dr. Rainer Hillebrand   | Member of the Supervisory Board ( <i>Aufsichtsrat</i> ) "CBR Fashion Holding AG"<br>Member of the Advisory Board ( <i>Beirat</i> ) "Vorwerk & Co. KG"<br>Member of the Steering Committee ( <i>Präsidium</i> ) and the Executive Board ( <i>Vorstand</i> ) "Bundesverband d. Deutschen Versandhandels e.V."   |
| 4. | Neela Montgomery        | No external mandates  |
| 5. | Petra Scharner-Wolff    | Member of the Advisory Board ( <i>Beirat</i> ) "HDI-Gerling Industrie Versicherung AG", Hannover<br>Member of the Advisory Board ( <i>Beirat</i> ) "Allianz Global Corporate & Specialty SE", Munich<br>Member of the Advisory Board ( <i>Beirat</i> ) "SCHUFA Holding AG", Wiesbaden   |
| 6. | Hanjo Schneider         | Member of the Advisory Board ( <i>Beirat</i> ) "IMADEC University", Wien  |
| 7. | Dr. Winfried Zimmermann | Chairman of the Supervisory Board ( <i>Aufsichtsrat</i> ) "EBS Universität für Wirtschaft und Recht", Oestrich-Winkel<br>Deputy Chairman of the Executive Board ( <i>Vorstand</i> ), "Stiftung zur Förderung der EBS Universität für Wirtschaft und Recht", Oestrich-Winkel   |
| 8. | Dr. Marcus Ackermann    | No external mandates  |

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

The members of the Executive Board and the Supervisory Board can be contacted under the Issuer's business address.

## 7.3. GENERAL PARTNERS' MEETING

In connection with its management duties, the General Partner is bound by the instructions of the General Partners' Meeting. Resolutions of the General Partners' Meetings of the Issuer are adopted by simple majority of the votes attributable to the limited liability capital (*Kommanditkapital*), unless otherwise provided for in individual provisions of the partnership agreement or other agreements of the partners. There are numerous provisions in the partnership agreement requiring a majority other than the simple majority. Each EUR 1.00 of the capital confers one vote. The current partners are:

General Partner (*Komplementärin*):

Verwaltungsgesellschaft Otto mbH (the shares of which are owned by the limited partners (*Kommanditisten*))

Limited Partners (*Kommanditisten*):

- OTTO Aktiengesellschaft für Beteiligungen, Hamburg
  - GSV Aktiengesellschaft für Beteiligungen, Hamburg, and
  - Kommanditgesellschaft AURUM Beteiligungs- und Verwaltungs- G.m.b.H. & Co., Hamburg,
- together hold 100% of the limited partnership interests.

#### **7.4. PARTNERS' COMMITTEE**

The Partners' Committee renders advice to the limited partners entitled to vote regarding their decisions to be adopted at General Partners' Meetings or otherwise in connection with the responsibilities assigned to them under applicable law and the articles of incorporation.

The Partners' Committee currently comprises the following members:

- Dr. Michael Otto
- Thomas Armbrust
- Dr. Wolfgang Lindner
- Alexander Otto
- Benjamin Otto
- Prof. Dr. Peer Witten

#### **7.5. SUPERVISORY BOARD**

The members of the Supervisory Board of the General Partner are as follows:

Dr. Michael Otto, Hamburg  
Chairman, Businessman

Karl-Heinz Grussendorf, Hamburg\*  
Deputy Chairman, Chairman of the Group Works' Council

Annette Adam, Kahl/Main\*  
Deputy Chairwoman of the Works' Council SCHWAB VERSAND GmbH

Thomas Armbrust, Reinbek  
General Manager Kommanditgesellschaft CURA Vermögensverwaltung G.m.b.H. & Co.

Anita Beermann, Ahrensburg  
Employee of Kommanditgesellschaft CURA Vermögensverwaltung G.m.b.H. & Co.

Horst Bergmann, Michelau\*  
Chairman of the Works' Counsel Baur Versand (GmbH & Co KG)

Olaf Brendel, Hamburg\*  
Chairman of the Works' Council Hermes Fulfilment GmbH

Dr. Michael E. Crüsemann, Hamburg  
General Manager (retired)

Dr. Thomas Finne, Hamburg  
General Manager Kommanditgesellschaft CURA Vermögensverwaltung G.m.b.H. & Co.

Petra Finnern, Jesteburg\*  
Chairwoman of the Works' Council EOS Region Germany

Dr. Richard Gottwald\*  
Executive employee / sales and distribution

Anja Marreck, Holzkirchen\*  
Commercial Clerk Heike Lattekamp, Hamburg\*  
Regional Specialist, ver.di Trade Union

Dr. Wolfgang Linder, Hamburg  
General Manager (retired)

Stefan Najda, Glienecke\*  
Secretary, ver.di Trade Union

Alexander Otto, Hamburg  
Chairman of the Management Board ECE Projektmanagement G.m.b.H. & Co. KG

Benjamin Otto, Hamburg  
Businessman

Lars-Uwe Rieck, Hamburg\*  
Regional Specialist, ver.di Trade Union

Dr. Winfried Steeger, Hamburg  
Attorney

Prof. Dr. Peer Witten, Hamburg  
Kommanditgesellschaft AURUM Beteiligungs- und Verwaltungs-G.m.b.H. & Co.

\* Employee representative

## **7.6. BOARD PRACTICES**

The issuer is not required to establish an audit committee under German law.

The Issuer does not have to comply with the recommendations of the Government Commission of the German Corporate Governance Code (*Regierungskommission Deutscher Corporate Governance-Kodex* ("DCGC")), as the DCGC is primarily focused on listed companies and does not reflect the concept of a general partner being personally liable.

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

### **8.1. INCORPORATION BY REFERENCE**

The audited consolidated financial statements of the Issuer for the financial year ending 29 February 2016 prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the additional requirements of German law pursuant to § 315a (1) HGB (*Handelsgesetzbuch*, German Commercial Code) and the unqualified auditors' opinion (*Bestätigungsvermerk*) thereon, together contained in the Otto Group's Annual Report (*Geschäftsbericht*) 2015/16, are incorporated by reference into this Prospectus.

The audited consolidated financial statements of the Issuer for the financial year ending 28 February 2015 prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the additional requirements of German law pursuant to § 315a (1) HGB (*Handelsgesetzbuch*, German Commercial Code) and the unqualified auditors' opinion (*Bestätigungsvermerk*) thereon, together contained in the Otto Group's Annual Report (*Geschäftsbericht*) 2014/15, are incorporated by reference into this Prospectus.

### **8.2. KEY FIGURES FROM THE CONSOLIDATED FINANCIAL STATEMENTS**

The following tables set out selected consolidated financial information of the Issuer for the financial year 2015/16 ended 29 February 2016. Based on the decision to sell certain retail activities in France, these activities have been classified as "discontinued operations" according to IFRS 5. In addition, the Otto Group has signed an agreement to sell Alba Moda GmbH in financial year 2016/16. Alba Moda is thus classified as a "disposal group" according to IFRS 5. The financial information for the financial year 2014/15 included as comparative information in the audited consolidated financial statements for the financial year 2015/16 has been adjusted retrospectively to reflect these portfolio measures. Note 5(c) of the Otto Group's Annual Report 2015/16 provides a detailed breakdown of these adjustments.

### 8.2.1. SELECTED ITEMS FROM THE CONSOLIDATED BALANCE SHEET

	Financial Year 1 March 2015 until 29 February 2016	Financial Year 1 March 2014 until 28 February 2015*
in EUR million		
<i>Assets</i>		
Non-current assets.....	4,159	4,170
Deferred tax.....	114	125
Current assets.....	3,587	3,893
Total assets.....	7,860	8,188
<i>Equity and liabilities</i>		
Equity.....	1,530	1,620
Non-current provisions and liabilities.....	3,127	3,259
Deferred tax.....	92	87
Current provisions and liabilities.....	3,111	3,223
Total equity and liabilities.....	7,860	8,188
Net financial debt.....	1,948	2,168

\* Prior year adjusted

### 8.2.2. SELECTED ITEMS FROM THE CONSOLIDATED INCOME AND CONSOLIDATED CASH FLOW STATEMENTS

	Financial Year 1 March 2015 until 29 February 2016	Financial Year 1 March 2014 until 28 February 2015*
in EUR million		
Revenue.....	12,104	11,485
EBITDA.....	639	562
EBIT.....	259	248
EBT.....	187	44
Loss (-) / Profit (+) from continued operations.....	90	-32



Loss from discontinued operations		
.....	-280	-164
Loss for the year.....	-190	-196
Operating cash flow from continued operations.....	582	592
Operating cash flow from discontinued operations.....	-102	-98
Cash flow from operating activities....	480	494
Cash flow from investing activities...	-114	-79
Free cash flow.....	367	416
Cash flow from financing activities...	-352	-423

\* Prior year adjusted

### 8.3. KEY FIGURES WITH THE FINANCIAL SERVICES SEGMENT ACCOUNTED FOR AT-EQUITY

The business undertaken by Otto Group companies in the Financial Services segment differs fundamentally from the Otto Group's Multichannel Retail and Services activities. To provide a more differentiated insight into the financial position, result of operations and cash flows in the Otto Group's retail and service activities, the Otto Group prepares a second set of financial information (the "FS at equity view") in addition to the IFRS consolidated financial statements.

The "FS at equity view" eliminates the assets, liabilities, expenses and income of the companies in the Financial Services segment from the consolidated financial statements, and instead reports the interests in Financial Services companies using the equity method. This reporting of interests in Group companies in Financial Services using the equity method is based on the overall percentage held at the level of the parent companies concerned which are not allocated to the Financial Services segment. Hence, minority interests in the share of results or share of net assets of Group companies in the Financial Services segment are only reported if these interests are held by third-party shareholders of parent companies in other segments.

The procedure described here deviates from IFRS and does not represent IFRS figures in that it forgoes the full consolidation of companies in the Financial Services segment that would have to be consolidated pursuant to IAS 27 (and is reported in the IFRS consolidated financial statements), based on the Otto Group's ability to exercise control over such companies.

All other recognition and measurement methods are applied consistently with those used in the IFRS consolidated financial statements.

#### 8.3.1. SELECTED BALANCE SHEET ITEMS (FS AT EQUITY VIEW)

	Financial Year 1 March 2015 until 29 February 2016	Financial Year 1 March 2014 until 28 February 2015*
in EUR million		
<i>Assets</i>		
Non-current assets.....	3,760	3,812
Deferred tax.....	125	133
Current assets.....	2,947	3,299

Total assets.....	6,832	7,244
<hr/>		
<i>Equity and liabilities</i>		
Equity.....	1,472	1,562
Non-current provisions and liabilities.....	2,625	2,823
Deferred tax.....	73	74
Current provisions and liabilities.....	2,662	2,785
Total equity and liabilities.....	6,832	7,244
<hr/>		
Net financial debt.....	1,317	1,523

\* Prior year adjusted

### 8.3.2. SELECTED INCOME STATEMENT AND CASH FLOW ITEMS (FS AT EQUITY VIEW)

	Financial Year 1 March 2015 until 29 February 2016	Financial Year 1 March 2014 until 28 February 2015*
in EUR million		
Revenue.....	11,427	10,840
EBITDA.....	597	492
EBIT.....	248	200
EBT.....	152	14
Loss (-) / Profit (+) from continued operations.....	81	-38
Loss from discontinued operations.....	-280	-164
Loss for the year.....	-199	-202
Operating cash flow from continued operations.....	554	491
Operating cash flow from discontinued operations.....	-102	-97
Cash flow from operating activities.	452	395
Cash flow from investing activities..	-178	-41
Free cash flow.....	274	354
Cash flow from financing activities.	-261	-368

\* Prior year adjusted

## 9. RECENT DEVELOPMENTS

Financial year 2015/16 was characterised by the encouraging development among the larger core companies of the Otto Group and systematic streamlining of the portfolio of activities. The Otto Group achieved revenue growth of 5.4%, earnings before tax (EBT) amounted to EUR 186.9 million, significantly exceeding last year's EBT figure of EUR 43.7 million.

E-commerce revenues in the Multichannel Retail segment increased noticeably, as did revenues in the Financial Services and Services segments. The Otto Group's online revenues worldwide rose to EUR 6.5 billion (2014/15: EUR 6.0 billion).

Major Group companies and sub-groups, such as OTTO, Bonprix, Witt, and EOS, were once again able to achieve very good profitability and exceed the previous year's results. Visible improvements were also achieved in Group companies facing more challenging conditions. The Crate and Barrel Group was able to effect a turnaround within a very short period of time. In Russia, the Otto Group's activities returned to profitability at the operating level. While the Group companies SportScheck GmbH and myToys.de GmbH continued to weigh on profitability, they nevertheless returned to their previous strong revenue growth rates. The Otto Group continued its investments into the new business model Collins, as well as into the modernisation of the IT and logistics infrastructure, in order to secure competitiveness for the future.

Financial year 2015/16 was also characterised by important portfolio measures:

- Business operations with end-consumers of the payment solutions company Yapital GmbH were discontinued.
- The office supplies companies OTTO Office and JM Bruneau, which were no longer relevant to the Otto Group's strategic focus, were successfully disposed of.
- In addition, the Otto Group signed an agreement regarding the sale of fashion retailer Alba Moda in February 2016. The sale will be effective in financial year 2016/17.
- In March 2016, the 3SI Group announced its intention to sell its retail activities ("**3SI Commerce**"), which are therefore accounted for as "discontinued operations". Going forward, the 3SI Group intends to concentrate on logistics and service activities. In May 2016, the 3SI Group announced two transactions in line with this new strategy: The acquisition of Girard-Agediss, a logistics company specialising in the delivery of bulky items and furniture, on the one hand, and the sale of Becquet, a retailer specialising in decoration and household linen items, on the other hand.

The discontinued operations of 3SI Commerce were the main driver for the Otto Group's loss after tax for the financial year 2015/16. Looking at continuing operations only, the financial year 2015/16 may be described as successful overall. Through the strengthening of the core business, the continued expansion of e-commerce, and the adjustments to the portfolio, the Otto Group believes it has laid a solid basis for the future development of the Group.

## 10. OUTLOOK AND FUTURE DEVELOPMENT OF THE OTTO GROUP

The Otto Group will continue its strategic orientation as an international company covering nearly all stages of the value chain in retailing and retail-related financial services and services. In the Multichannel Retail segment, a fundamental strategic goal is the further development of e-commerce, and in particular mobile commerce, a sales channel that has shown very strong growth and is a key driver of future expansion. Particular focus is on the expansion and continued digitalisation of the Otto Group's successful retailing and brand concepts. In this regard, otto.de's leading position among Germany's online shops for fashion and lifestyle and Bonprix's standing as an international brand are especially worthy of mention. The "open commerce" model About You also represents an important growth area for the Otto Group. In addition, the Otto Group's venture and incubation activities allow the Group to secure early access to innovative ideas, promising new business models and well-qualified, talented individuals from business and technology areas with an entrepreneurial mindset.

In the Financial Services segment, the Otto Group's strategic focus is on the further development of the receivables management business. In addition, the Otto Group is developing targeted finance-related services, for example in the field of fraud management. In doing so, the Otto Group is actively involved in shaping the ongoing digitalisation of this segment.

In the Services segment, the Otto Group's strategic priority is on the B2C and B2B services under the Hermes umbrella brand. The Otto Group seeks to further expand its position as an important provider of retail-related services, both in Germany and internationally in attractive e-commerce markets such as the United Kingdom.

In addition to the strategy in the segments, an overarching strategic goal of the Otto Group is to further strengthen its portfolio of activities. Portfolio management means the continuous assessment of the profitability and future viability of each individual Group company, while also making targeted investments in promising business models in line with the strategic priorities for each of the segments. One of the objectives of portfolio management is to further strengthen the Otto Group's financial capabilities. The ratio of net financial debt/EBITDA and the ratio of net financial debt/Equity – both in the "FS at equity view" described in chapter 8.3. – serve as primary indicators in this regard. While taking into account the continued investments planned for the coming years, the Otto Group aims for further optimisation of these key indicators following the improvement already achieved in financial year 2015/16.

A further focus for the Otto Group is on the development of IT. In order to be able to successfully implement the Group strategy, the Otto Group seeks to enhance its processes – in particular in the areas of IT, communications and business intelligence – in order to be at the forefront of the global e-commerce sector. This implies continued investment into the Otto Group's IT infrastructure, as well as into the development of future-oriented skills, for example in the areas of business intelligence and mobile commerce. In conclusion, the Otto Group will continue to drive its digital transformation and to invest in new customers, services, and IT and logistics infrastructure. The Otto Group believes that good progress has been made in this regard with the portfolio measures of the past financial year. The discontinued operations of 3SI Commerce are expected to still weigh on profitability in the financial year 2016/17. However, Otto Group believes that a solid foundation has been laid for the return to an adequate level of profitability in the medium term.

## **11. TREND INFORMATION**

There has been no material adverse change in the prospects of the Issuer since 29 February 2016.

## **12. SIGNIFICANT CHANGE IN THE FINANCIAL OR TRADING POSITIONS OF OTTO (GMBH & CO KG)**

There has been no significant change in the financial or trading position of the Issuer or the Otto Group since 29 February 2016.

## **13. GOVERNMENTAL, LEGAL AND ARBITRATION PROCEEDINGS**

The Issuer currently is not aware of any governmental, legal, arbitration proceedings or proceedings before administrative authorities to which either the Issuer or any of its subsidiaries is a party that may have or have had in the recent past a significant effect on the financial condition or profitability of the Issuer or the Otto Group or did have such effect within the last 12 months. The Issuer is also not aware that any such proceedings are threatened.

## TAXATION

The following comments are of a general nature and included herein solely for information purposes. They are based on the relevant laws currently in force and as applied on the date of this Base Prospectus, which are subject to change, possibly with retroactive effect. These comments cannot replace legal or tax advice. No representation with respect to the consequences to any particular prospective Noteholder is made hereby. Prospective Noteholders should consult their own tax advisers in each country which they are resident and in all relevant jurisdictions.

### Federal Republic of Germany

The following general overview does not consider all aspects of income taxation in the Federal Republic of Germany ("**Germany**") that may be relevant to a Noteholder in the light of its particular circumstances and income tax situation. This general overview is based on German tax laws and regulations, all as currently in effect and all subject to change at any time, possibly with retroactive effect. Prospective Noteholders should consult their own tax advisers as to the particular tax consequences to them of subscribing, purchasing, holding and disposing of the Notes, including the application and effect of state, local, foreign and other tax laws and the possible effects of changes in the tax laws of Germany.

#### German tax residents holding Notes as private assets

##### *Taxation of income from the Notes*

If the Notes are held as private assets (*Privatvermögen*) by an individual investor whose residence or habitual abode is in Germany, payments of interest under the Notes are taxed as investment income (*Einkünfte aus Kapitalvermögen*) at a 25% flat tax (*Abgeltungsteuer*) (plus a 5.5% solidarity surcharge thereon and, if applicable to the individual investor, church tax (*Kirchensteuer*)).

The same applies to capital gains from the sale or redemption of the Notes. The capital gain is generally determined as the difference between the proceeds from the sale or redemption of the Notes and the acquisition costs. Expenses directly and factually related (*unmittelbar sachlicher Zusammenhang*) to the sale or redemption are taken into account in computing the taxable gain. Otherwise the deduction of related expenses for tax purposes is not permitted.

Where the Notes are acquired and/or sold in a currency other than Euro, the acquisition costs will be converted into Euro at the time of acquisition, the sales proceeds will be converted in Euro at the time of sale, and only the difference will then be computed in Euro.

The flat tax is generally collected by way of withholding (see succeeding paragraph – *Withholding tax*) and the tax withheld shall generally satisfy the individual investor's tax liability with respect to the Notes. If, however, no or not sufficient tax was withheld (e.g., in case there is no Domestic Paying Agent as defined in the subsequent paragraph – *Withholding Tax*), the investor will have to include the income received from its investment in the Notes in its income tax return and the flat tax will then be collected by way of tax assessment. The investor may also opt for inclusion of investment income in its income tax return if the aggregated amount of tax withheld on investment income during the year exceeded the investor's aggregated flat tax liability on investment income (e.g., because of an available loss carry forward or a foreign tax credit). If the investor's total income tax liability on all taxable income including the investment income determined by generally applicable individual progressive tax rates is lower than 25% the investor may opt to be taxed at individual progressive tax rates with respect to its investment income.

Capital losses from the Notes held as private assets are generally tax-recognised irrespective of the holding period of the Notes. The losses may, however, not be used to offset other income like employment or business income but may only be offset against investment income subject to certain limitations. Losses not utilised in one year may be carried forward into subsequent years but may not be carried back into preceding years. According to the view of German tax authorities losses suffered upon a bad debt loss (*Forderungsausfall*) and a waiver of a receivable (*Forderungsverzicht*) shall, in general, not be deductible for tax purposes. With respect to a bad debt loss a German lower fiscal court has recently confirmed the view of the German tax authorities in a non-final decision. Furthermore capital losses might not be recognised by the German tax authorities if the Notes are sold at a market price, which is lower than the transaction costs or if the level of transaction costs is restricted because of a mutual agreement that the transaction costs are calculated by

subtracting a certain amount from the sales price. This view has however been challenged in 2014 by a final judgement of a German lower fiscal court.

Individual investors are entitled to a saver's lump sum tax allowance (*Sparer-Pauschbetrag*) for investment income of 801 Euro per year (1,602 Euro for jointly assessed investors). The saver's lump sum tax allowance is considered for purposes of the withholding tax (see subsequent paragraph – *Withholding tax*) if the investor has filed a withholding tax exemption request (*Freistellungsauftrag*) with the respective Domestic Paying Agent (as defined below). The deduction of related expenses for tax purposes is not possible.

#### *Withholding tax*

If the Notes are kept or administered in a domestic securities deposit account by a German credit or financial services institution (*Kredit- oder Finanzdienstleistungsinstitut*) (or by a German branch of a foreign credit or financial services institution), or by a German securities trading firm (*Wertpapierhandelsunternehmen*) or by a German securities trading bank (*Wertpapierhandelsbank*) (each a "**Domestic Paying Agent**") which pays or credits the interest, a 25% withholding tax, plus a 5.5% solidarity surcharge thereon, resulting in a total withholding tax charge of 26.375%, is levied on the interest payments. The applicable withholding tax rate is in excess of the aforementioned rate if church tax applies and is collected for the individual investor by way of withholding which, in the case of interest received as of 1 January 2015, is provided for as a standard procedure unless the Noteholder has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*).

Capital gains are also subject to the 25% withholding tax, plus a 5.5% solidarity surcharge thereon, if the Notes are kept or administered by a Domestic Paying Agent effecting the sale or redemption since their acquisition. If the Notes were sold or redeemed after being transferred to a securities deposit account with a Domestic Paying Agent, 25% withholding tax (plus solidarity surcharge thereon) would be levied on 30% of the proceeds from the sale or the redemption, as the case may be, unless the investor or the previous depository bank was able and allowed to prove evidence for the investor's actual acquisition costs to the Domestic Paying Agent. The applicable withholding tax rate is in excess of the aforementioned rate if church tax applies and is collected for the individual investor by way of withholding which, in the case of capital gains received as of 1 January 2015, is provided for as a standard procedure unless the Noteholder has filed a blocking notice with the German Federal Central Tax Office.

### **German resident investors holding the Notes as business assets**

#### *Taxation of income from the Notes*

If the Notes are held as business assets (*Betriebsvermögen*) by an individual or corporate investor who is tax resident in Germany (i.e., a corporation with its statutory seat or place of management in Germany), interest income and capital gains from the Notes are subject to personal income tax at individual progressive rates or corporate income tax (plus a 5.5% solidarity surcharge thereon and church tax, if applicable) and, in general, trade tax. The effective trade tax rate depends on the applicable trade tax factor (*Gewerbesteuer-Hebesatz*) of the relevant municipality where the business is located. In case of individual investors the trade tax may, however, be partially or fully creditable against the investor's personal income tax liability depending on the applicable trade tax factor and the investor's particular circumstances. Losses from the disposal or redemption of the Notes will generally be tax-recognised and may generally be offset by income subject to certain limitations.

#### *Withholding tax*

If the Notes are kept or administered by a Domestic Paying Agent which pays or credits the interest, a 25% withholding tax, plus a 5.5% solidarity surcharge thereon, resulting in a total withholding tax charge of 26.375%, is levied on the interest payments. The applicable withholding tax rate is in excess of the aforementioned rate if church tax applies and is collected for the individual investor by way of withholding which, in the case of interest received as of 1 January 2015, is provided for as a standard procedure unless the Noteholder has filed a blocking notice with the German Federal Central Tax Office.

No withholding is generally required on capital gains from the disposal or redemption of the Notes which is derived by German resident corporate investors and, upon application, by individual investors holding the Notes as business assets, subject to certain requirements. Any losses incurred from the disposal or redemption of the Notes will not be taken into account for withholding tax purposes. The withholding tax does not satisfy

the investor's personal or corporate income tax liability with respect to the Notes. The income from the Notes will have to be included in the investor's personal or corporate income tax return. Any German withholding tax (including surcharges) is generally fully creditable against the investor's personal or corporate income tax liability or refundable, as the case may be.

### **Non-German resident investors**

Income derived from the Notes by Noteholders who are not tax resident in Germany is in general exempt from German income taxation, and no withholding tax shall be withheld, unless (i) the Notes are held as business assets of a German permanent establishment of the investor or by a permanent German representative of the investor, (ii) the income derived from the Notes does otherwise constitute German source income (such as income from the letting and leasing of certain property located in Germany) or (iii) the income is paid by a Domestic Paying Agent against presentation of the Notes or interest coupons (so-called over-the-counter transaction, *Tafelgeschäfte*). If the income derived from the Notes is subject to German taxation according to (i) through (iii) above, the income is subject to withholding tax similar to that described above under the paragraphs *Withholding tax*. Under certain circumstances, foreign investors may benefit from tax reductions or tax exemptions under applicable double tax treaties (*Doppelbesteuerungsabkommen*) entered into with Germany.

### **Inheritance tax / gift tax**

The transfer of Notes to another person by way of gift or inheritance is subject to German gift or inheritance tax, respectively, if *inter alia*

- (i) the testator, the donor, the heir, the donee or any other acquirer had his residence, habitual abode or, in case of a corporation, association (*Personenvereinigung*) or estate (*Vermögensmasse*), had its seat or place of management in Germany at the time of the transfer of property,
- (ii) except as provided under (i), the testator's or donor's Notes belong to a business asset attributable to a permanent establishment or a permanent representative in Germany.

Special regulations apply to certain German expatriates.

Prospective investors are urged to consult with their tax advisor to determine the particular inheritance or gift tax consequences in light of their particular circumstances.

### **Other taxes**

The purchase, sale or other disposal of Notes does not give rise to capital transfer tax, value added tax, stamp duties or similar taxes or charges in Germany (despite the European initiative on FTT). However, under certain circumstances entrepreneurs may choose liability to value added tax with regard to the sales of Notes which would otherwise be tax exempt. Net wealth tax (*Vermögensteuer*) is, at present, not levied in Germany.

## **The Netherlands**

The following overview does not purport to be a comprehensive description of all Netherlands tax considerations that could be relevant to Noteholders. This overview is intended for general information only. Each prospective holder should consult a professional tax adviser with respect to the tax consequences of an investment in the Notes. This overview is based on Netherlands tax legislation and published case law in force as of the date of this document. It does not take into account any developments or amendments thereof after that date, whether or not such developments or amendments have retroactive effect. For the purposes of this section, "the Netherlands" shall mean that part of the Kingdom of the Netherlands that is in Europe.

### **Scope**

Regardless of whether or not a Noteholder is, or is treated as being, a resident of the Netherlands, with the exception of the section on withholding tax below, this overview does not address the Netherlands tax consequences for such a holder:

- (i) having a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Issuer and Noteholders of whom a certain related person holds a substantial interest in the Issuer. Generally speaking, a substantial interest in the Issuer arises if a person, alone or, where such

person is an individual, together with his or her partner (statutory defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5 per cent. or more of the total issued capital of the Issuer or of 5 per cent. or more of the issued capital of a certain class of shares of the Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in the Issuer;

- (ii) who is a private individual and who may be taxed in box 1 for the purposes of Netherlands income tax (*inkomstenbelasting*) as an entrepreneur (*ondernemer*) having an enterprise (*onderneming*) to which the Notes are attributable, or who may otherwise be taxed in box 1 with respect to benefits derived from the Notes;
- (iii) who is a person to whom the Notes and the income from the Notes are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of The Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) and the Netherlands Gift and Inheritance Tax Act 1956 (*Successiewet 1956*);
- (iv) which is a corporate entity and a taxpayer for the purposes of Netherlands corporate income tax (*vennootschapsbelasting*), having a participation (*deelname*) in the Issuer (such a participation is generally present in the case of an interest of at least 5 per cent. of the Issuer's nominal paid-in capital);
- (v) which is a corporate entity and an exempt investment institution (*vrijgestelde beleggingsinstelling*) or investment institution (*beleggingsinstelling*) for the purposes of Netherlands corporate income tax, a pension fund, or otherwise not a taxpayer or exempt for corporate income tax purposes;
- (vi) entities which are a resident of Aruba, Curacao or Sint Maarten that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba, to which permanent establishment or permanent representative the Notes are attributable; or
- (vii) which is not considered the beneficial owner (*uiteindelijk gerechtigde*) of the Notes and/or the benefits derived from the Notes.

#### **Withholding tax**

All payments made by the Issuer under the Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

#### **Income tax**

*Resident holders:* A holder who is a private individual and a resident, or treated as being a resident of the Netherlands for the purposes of Netherlands income tax, must record Notes as assets that are held in box 3. Taxable income with regard to the Notes is then determined on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return is fixed at a rate of 4 per cent. of the holder's yield basis (*rendementsgrondslag*) at the beginning of the calendar year, insofar as the yield basis exceeds a certain threshold (*heffingvrij vermogen*). Such yield basis is determined as the fair market value of certain qualifying assets held by the holder of the Notes, less the fair market value of certain qualifying liabilities at the beginning of the calendar year. The fair market value of the Notes will be included as an asset in the holder's yield basis. The deemed return on income from savings and investments is taxed at a rate of 30 per cent.

*Non-resident holders:* A holder who is a private individual and neither a resident, nor treated as being a resident, of the Netherlands for the purposes of Netherlands income tax, will not be subject to such tax in respect of benefits derived from the Notes, unless such holder is entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise which is effectively managed in the Netherlands, to which enterprise the Notes are attributable.

#### **Corporate income tax**

*Resident holders:* A holder which is a corporate entity and, for the purposes of Netherlands corporate income tax, a resident, or treated as being a resident, of the Netherlands, is taxed in respect of benefits derived from the Notes at rates of up to 25 per cent.

*Non-resident holders:* A holder which is a corporate entity and, for the purposes of Netherlands corporate income tax, is neither a resident, nor treated as being a resident, of the Netherlands, will not be subject to



corporate income tax, unless such holder has an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands, a Netherlands Enterprise (*Nederlandse onderneming*), to which Netherlands Enterprise the Notes are attributable, or such holder is (other than by way of securities) entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Notes are attributable. Such holder is taxed in respect of benefits derived from the Notes at rates of up to 25 per cent.

### **Gift and inheritance tax**

*Resident holders:* Netherlands gift tax or inheritance tax (*schenk- of erfbelasting*) will arise in respect of an acquisition (or deemed acquisition) of Notes by way of a gift by, or on the death of, a holder of Notes who is a resident, or treated as being a resident, of the Netherlands for the purposes of Netherlands gift and inheritance tax.

*Non-resident holders:* No Netherlands gift tax or inheritance tax will arise in respect of an acquisition (or deemed acquisition) of Notes by way of a gift by, or on the death of, a holder of Notes who is neither a resident, nor treated as being a resident, of the Netherlands for the purposes of Netherlands gift and inheritance tax.

### **Other taxes**

No Netherlands value added tax (*omzetbelasting*) will arise in respect of any payment in consideration for the issue of Notes, with respect to any cash settlement of Notes or with respect to the delivery of Notes. Furthermore, no Netherlands registration tax, capital tax, transfer tax or stamp duty (nor any other similar tax or duty) will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of Notes.

### **Residency**

A holder will not become a resident, or a deemed resident, of the Netherlands for Netherlands tax purposes by reason only of holding the Notes.

### **Austria**

The following is a brief overview of certain Austrian tax aspects in connection with the Notes. It does not claim to fully describe all Austrian tax consequences of the acquisition, ownership, disposition or redemption of the Notes nor does it take into account the Noteholders' individual circumstances or any special tax treatment applicable to the Noteholder. It is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors should consult their own professional advisors as to the particular tax consequences of the acquisition, ownership, disposition or redemption of the Notes.

The Issuer does not assume responsibility for Austrian withholding tax and is not obliged to make additional payments in case of Austrian withholding tax deductions.

#### **Austrian tax resident individual investor**

Interest income and a capital gain (i.e. the difference between the sale price and the acquisition cost, which in case of private individual investors exclude incidental acquisition cost) realised from the Notes by an investor resident in Austria for tax purposes (i.e., a person that has a domicile or place of habitual abode in Austria) is subject to Austrian income tax generally at a final tax rate of 27.5% if the Notes are legally and actually publicly offered.

If interest is paid by an Austrian paying agent (e.g. an Austrian bank or the Austrian branch of a non-Austrian bank or investment firm) Austrian withholding tax at a rate of 27.5% is triggered. In relation to capital gains Austrian withholding tax at a rate of 27.5% is triggered if the Notes are deposited with an Austrian depository (e.g. an Austrian bank or the Austrian branch of a non-Austrian bank or investment firm) or under certain conditions if capital gains are realised and paid via an Austrian paying agent. In the absence of an Austrian paying agent or depository the investor must include interest, capital gains or income from derivatives in the income tax return and such income is taxed at a rate of 27.5%. Despite deduction of Austrian withholding tax, capital gains and income from derivatives also need to be included in the income tax return if realised as business income. An investor may apply for taxation at the progressive income tax rate. A deduction of

expenses that are directly economically connected to income and capital gain from the Notes is generally not allowed.

Losses from Notes held as private assets may only be set off with other investment income subject to a special tax rate (excluding, *inter alia*, interest income from bank deposits and other claims against banks). The Austrian securities depositories apply an automatic set-off of losses against investment income from securities accounts at the same securities depository (subject to certain exemptions). However, a carry-forward of such losses is not permitted. Write-downs and losses derived from the sale or redemption of Notes held as business assets must primarily be set off against positive income from realized capital gains of financial instruments of the same business and only 55% of the remaining loss may be set off or carried forward against any other income.

Withdrawals and other transfers of Notes may be treated as disposals triggering a capital gain and withholding tax unless certain specific (mainly information) requirements are met. Special rules apply if a taxpayer transfers his residence outside of Austria or Austria loses for other reasons its taxation right in respect of the Notes to other countries (exit taxation with the possibility of tax deferral when relocating to member states of the European Union or certain EEA member states which have entered into a comprehensive agreement on administrative or enforcement cooperation with Austria).

Capital outflows amounting to minimum EUR 50,000 from accounts or securities accounts of individuals beginning with 1 March 2015 will additionally be subject to comprehensive reporting requirements by Austrian credit institutions or Austrian branches of CRR credit institutions, of CRR financial institutions and of EU investment service providers, particularly relating to transfers of securities without consideration within Austria or relating to transfers of securities to non-Austrian securities accounts. For details please see below "Reporting requirements on capital outflows by Austrian credit institutions".

#### **Austrian tax resident corporate investor**

Income and capital gain derived from the Notes by an Austrian resident corporation (i.e., a corporation that has its seat or place of effective management in Austria) is subject to Austrian corporate income tax at a rate of 25%. Corporate Noteholders deriving business income from the Notes may avoid the application of Austrian withholding tax by filing a declaration of exemption (*Befreiungserklärung*). Where the 25% withholding tax is triggered, it is creditable against the Austrian corporate income tax liability of the corporate investor. However, this 25% withholding tax rate option is currently not offered by all Austrian securities account keeping agents or paying agents, so that corporate Noteholders will become forced to apply for refund of the difference between the corporate tax rate and Austrian withholding tax in their corporate tax return in certain cases.

#### **Non-Austrian tax resident investor**

Interest and capital gains received by a non-Austrian resident investor for tax purposes under the Notes are not subject to Austrian (corporate) income tax unless attributable to an Austrian located permanent establishment. An Austrian paying agent or depository may abstain from levying Austrian withholding tax if the non-resident Noteholders evidence their non resident-status vis-à-vis the paying agent in accordance with the provisions of the Austrian income tax guidelines.

Interest paid by an Austrian coupon-paying agent to an individual beneficial owner resident in another EU Member State or certain dependent and associated territories is subject to EU withholding tax at a rate of currently 35% under the Austrian EU-Withholding Tax Act (*EU-Quellensteuergesetz*, "EU-QuStG"; implementing Directive 2003/48/EC of 3 June 2003). Council Directive 2015/2016/EU has repealed the EU Savings Tax Directive in general with legal effect from 1 January 2016. However, due to particular transitional provisions the Austrian law implementation provisions relating to the EU Savings Tax Directive remain applicable within Austria by 31 December 2016. This transitional regime will, however not apply to interest payments effected after 1 October 2016 with regard to newly opened accounts within the meaning of the Austrian Common Reporting Standard Act during the 4th quarter 2016 (see below "Reporting requirements under the Common Reporting Standard Act"). No EU withholding tax is deducted if the Noteholder provides the paying agent with a certificate drawn up in his name by the tax office of his member state of residence in accordance with section 10 EU-QuStG.

Concerning the Savings Tax Directive, see also "TAXATION – European Withholding Tax".

### **Reporting requirements on capital outflows by Austrian credit institutions and domestic branches of CRR credit institutions, CRR financial institutions and EU investment service provider**

Pursuant to the Capital Outflow Reporting Act having entered into force for a period between 2016 and 31 December 2022 but covering reporting periods between 1 March 2015 and 31 December 2022, Austrian credit institutions and domestic branches described in the header above must report to the Austrian Federal Ministry of Finance any capital outflow by one or several related transactions amounting to minimum EUR 50,000 from accounts or securities accounts of individuals accruing outside any business assets. The term "capital outflows" does not only cover cash outflows and account transfers, but also the transfer of securities by donation within Austria and any transfer of securities to non-Austrian securities accounts.

### **Reporting requirements under the Common Reporting Standard Act**

Pursuant to Directive 2014/107/EU amending the Directive on Administrative Fiscal Cooperation Regarding the Mandatory Automatic Exchange of Information on Financial Accounts (i.e. deposit accounts, current accounts, custodial accounts, other accounts) in Tax Matters, which was implemented into Austrian law by the Common Reporting Standard Act (GMSG), Austrian financial institutions must report for new accounts opened on or after 1 October 2016 until 30 June 2017 and for accounts preexisting on 30th September 2016 with a higher value beginning with 31 December 2017 respectively for accounts preexisting on 30th September 2016 with a low value beginning with 31 December 2018, inter alia any interests, dividends and other gross income generated by assets held in the account as well as account balances and proceeds from the sale or redemption of financial assets to the tax office which is competent for the collection of corporate income tax in Austria. Such reporting requirement will result in an inter-authority automatic exchange of information between Austrian and foreign tax authorities of member states participating in the OECD released Global Standard for Automatic Exchange of Financial Account Information in Tax Matters (AEOI). It is recommended to investors to get informed or become supplied with advice relating to the further pertaining developments.

### **Peculiarities of the U.S. FATCA's implementation in Austrian law**

Austria and the U.S. have entered into an intergovernmental agreement on 29 April 2014 reflecting the FATCA model agreement type 2; however, it is envisaged to replace such model agreement type by an intergovernmental agreement of model type 1. Deviating from what is included in model type 1, Austrian financial institutions involved in payments on the Notes must under intergovernmental agreements of model type 2 individually enter into agreements with the IRS to avoid the requirement to deduct amounts on the payments, unless such foreign financial institutions qualify as registered financial institutions with a local client base, local banks, financial institutions with only low value accounts, financial institutions regulated under specific Austrian laws, specified investment entities or investment vehicles as well as Austrian investment advisers and investment managers, If an Austrian financial institution that has not been qualified as deemed compliant under the intergovernmental agreement has not entered into an agreement with the IRS, the requirement to deduct the amount referred above will also be triggered upon such non-participating Austrian financial institution becoming a payee of such payments.

If any Noteholder (including Austrian intermediaries) does not provide the Issuer, any agent of the Issuer or any other intermediary (including those located in Austria) with correct, complete and true information required to effect full FATCA compliance for the Issuer and any intermediary, the Issuer will become authorized to withhold amounts that would otherwise have to be paid out to the Noteholder. Neither the Issuer nor the paying agent nor any other person will become required to pay additional amounts to the Noteholder due to the withholding or deduction of such tax, if such amount has to be deducted or withheld arising out of such U.S. withholding or deduction tax.

### **Financial Transaction Tax**

Concerning the Initiative on a Financial Transaction Tax see "RISK FACTORS – Special investment risks – European Initiative on Financial Transaction Tax".

### **Luxembourg**

The comments below do not relate to any form of Luxembourg taxation other than taxation withheld at source with respect to the Notes. Investors who are in doubt as to their position are advised to consult their own professional advisers. **Withholding tax**

Under Luxembourg tax law currently in effect and subject to the exception below, there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest) or repayments of principal.

In accordance with the law of 23 December 2005, as amended, interest payments made by Luxembourg paying agents to Luxembourg individual residents and to certain residual entities securing interest on behalf of Luxembourg individual residents are subject to a 10% withholding tax. Responsibility for withholding such tax will be assumed by the Luxembourg paying agent.

### **European Withholding Tax**

On 3 June 2003 the Economic and Financial Affairs Council adopted a new directive regarding the taxation of savings income (the "**Savings Directive**"). The Savings Directive is effective as from 1 July 2005. Under the Savings Directive each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to an individual resident in that other Member State; however, Austria may instead apply a withholding system for a transitional period in relation to such payments, deducting tax at rates rising over time to 35%. The transitional period commenced on 1 July 2005 and terminates on 31 December 2016 (see also "TAXATION – Austria – Non-Austrian tax resident investor"). Similar provisions may apply under agreements entered into pursuant to the Savings Directive in respect of interest payments made by persons within the jurisdiction of certain territories, not being Member States to individuals resident in Member States, and, in some cases, *vice versa*.

The Savings Directive was, however, repealed in order to avoid overlap with the amended Council Directive 2011/16/EU on administrative cooperation in the field of taxation, pursuant to which Member States will be required to apply other new measures on mandatory automatic exchange of information from 1 January 2016 (except that Austria is allowed to start applying these measures up to one year later – see also "TAXATION – Austria – Non-Austrian tax resident investor").

Prospective Noteholders who are in any doubt as to their position should consult their own tax advisors.

### **U.S. Foreign Account Tax Compliance Withholding**

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, PROSPECTIVE NOTEHOLDERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF U.S. FEDERAL INCOME TAX ISSUES IN THIS BASE PROSPECTUS IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY ANY PERSON FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON SUCH PERSON UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN BY THE ISSUER IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE ISSUER OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) PROSPECTIVE NOTEHOLDERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

The foreign account tax compliance provisions of the Hiring Incentives to Restore Employment Act of 2010 ("**FATCA**") impose a withholding tax of 30% on (i) certain U.S. source payments, (ii) payments of gross proceeds from the disposition of assets that produce U.S. source interest or dividends made to persons that fail to meet certain certification or reporting requirements and (iii) certain other payments by entities that qualify as financial institutions pursuant to FATCA. The Issuer does not expect to be treated as a foreign financial institution. The United States of America have entered into intergovernmental agreements in relation to FATCA (the "**Intergovernmental Agreements**") with various states, including Germany.

Whilst the Notes are in global or dematerialised form and held within the Clearing System respectively, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer, any paying agent and the Clearing System, given that each of the entities in the payment chain from (but excluding) the Issuer and to (but including) the Clearing System is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an Intergovernmental Agreement will be unlikely to affect the Notes. Additionally, it is generally not expected that foreign financial institutions in a jurisdiction that entered into an Intergovernmental Agreement will be required to withhold any amounts on any of their payments pursuant to FATCA or Intergovernmental Agreement (or a law implementing such Intergovernmental Agreement).

It is yet unclear how the United States of America and the Federal Republic of Germany will implement a withholding on "foreign passthru payments" (as described in FATCA) or if such withholding will be required at all.

FATCA IS PARTICULARLY COMPLEX AND ITS APPLICATION TO THE ISSUER, THE NOTES AND THE NOTEHOLDERS IS UNCERTAIN AT THIS TIME. EACH NOTEHOLDER SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO LEARN HOW THIS LEGISLATION MIGHT AFFECT EACH NOTEHOLDER IN ITS PARTICULAR CIRCUMSTANCE.

## SUBSCRIPTION AND SALE

### Summary of Dealer Agreement

Subject to the terms and conditions contained in an amended and restated Dealer Agreement relating to the Programme dated 3 June 2016 (the "**Dealer Agreement**") between the Issuer, the Arranger and the Dealers, the Notes will be offered by the Issuer to the relevant Dealer(s). The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are severally but not jointly underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for certain of its expenses incurred in connection with the establishment of the Programme and for certain of its activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the relevant Final Terms.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

### Selling Restrictions

#### General

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer appointed will be required to represent, warrant and agree that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms in all cases at its own expense, and neither the Issuer, nor any other Dealer shall have responsibility therefore.

#### United States

The Notes have not been and will not be registered under the Securities Act and the Notes are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to U.S. persons. Each Manager has agreed that it will not offer, sell or deliver any Notes within the United States or to U.S. persons, except as permitted by the Subscription Agreement.

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

#### European Economic Area

In relation to each Member State of the European Economic Area<sup>7</sup> which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer appointed will be required to represent, warrant and agree that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from

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<sup>7</sup> The EEA is the EU plus Iceland, Norway and Liechtenstein.

and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (i) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (ii) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (iii) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (iv) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (ii) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

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

### **United Kingdom**

Each Dealer appointed will be required to represent, warrant and agree that:

1. in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the "**FSMA**") by the Issuer,
2. it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer, and
3. it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

### **The Netherlands**

Pursuant to the Netherlands Savings Certificates Act (*Wet inzake spaarbewijzen*; the "**Savings Certificates Act**") of 21 May 1985, any direct or indirect transfer or acceptance of Notes which falls within the definition of savings certificates (*spaarbewijzen*) in the Savings Certificates Act within, from or into the Netherlands is prohibited unless the transfer and acceptance is done through the mediation of either the Issuer or a member of Euronext Amsterdam N.V. with due observance of the provisions of the Savings Certificates Act and its implementing regulations (which include registration requirements). The aforesaid prohibition does not apply to (i) a transfer and acceptance by natural persons not acting in the course of their business of profession, (ii)

the issue of such Notes to the first holders thereof and (iii) the issue and trading of such Notes if they are physically issued outside the Netherlands and are not distributed in the Netherlands in the course of primary trading or immediately thereafter.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not make an offer of Notes which are outside the scope of the approval of this Base Prospectus, as completed by the Final Terms relating thereto, to the public in the Netherlands in reliance on Article 3(2) of the Prospectus Directive (as defined above under "European Economic Area") unless (i) such offer is made exclusively to persons or entities which are qualified investors as defined in the Dutch Financial Supervision Act or (ii) standard exemption wording and a logo are disclosed as required by Section 5:20(5) of the Dutch Financial Supervision Act, provided that no such offer of Notes shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

### **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 has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

### **The People's Republic of China**

Each Dealer has represented and agreed that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the People's Republic of China.

### **Hong Kong**

Each Dealer appointed will be required to represent, warrant and agree that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

### **Kingdom of Norway**

This Base Prospectus has not been approved by or registered with the Oslo Stock Exchange, the Norwegian Register of Business Enterprises or any other body or agency of the Kingdom of Norway.

Each Dealer has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell in the Kingdom of Norway any Notes other than (i) to "professional investors" as defined in § 7-1 of the Norwegian Securities Regulation of 29 June 2007 no. 876 ("**Professional Investors**"); (ii) to fewer than 150 natural or legal persons (other than Professional Investors) in Norway or



(iii) in reliance on the exemption provided by § 7-4 no. 10 of the Norwegian Securities Trading Act of 29 June 2007 no. 75.

#### **Taiwan**

Each Dealer has represented, warranted and agreed that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the Republic of China, except as permitted by the securities laws of the Republic of China.

#### **Switzerland**

Each Dealer has acknowledged that this Base Prospectus is not intended to constitute an offer or solicitation to purchase or invest in the Notes issued thereunder. Each Dealer has represented and agreed that it will not publicly offer, sell or advertise the Notes, directly or indirectly, in, into or from Switzerland. The Notes will not be listed on the SIX Swiss Exchange Ltd. or on any other exchange or regulated trading facility in Switzerland. Neither this Base Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange Ltd. or any other regulated trading facility in Switzerland, and neither this Base Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

## FORM OF FINAL TERMS

In case of Notes listed on the Luxembourg Stock Exchange or publicly offered in the Grand Duchy of Luxembourg and/or the Republic of Austria and/or the Federal Republic of Germany and/or The Netherlands the Final Terms will be displayed on the website of the Luxembourg Stock Exchange (*www.bourse.lu*).

Dated [●]

*Datum* [●]

### Final Terms

#### *Endgültige Bedingungen*

#### OTTO (GMBH & CO KG)

[Offer][Issue] of  
*[Angebot][Emission] von*

[Aggregate Principal Amount of Tranche]  
*[Gesamtnennbetrag der Tranche]*

[Title of Notes]  
*[Bezeichnung der Schuldverschreibungen]*

issued as  
*begeben als*

Series                      Tranche  
[●]                              [●]  
*Serie                              Tranche*

[(to be consolidated and form a single series with [●])  
*(die mit [●] konsolidiert werden und eine einheitliche Serie bilden)*

Aggregate Principal Amount of Series: [●]  
*Gesamtnennbetrag der Serie: [●]*<sup>1</sup>

under the  
*unter dem*

**Euro 2,000,000,000**  
**DEBT ISSUANCE PROGRAMME**

of  
*der*

#### OTTO (GMBH & CO KG)

Issue Date:              [●]                      Issue Price:              [●] per cent.  
*Begebungstag:              [●]                              Emissionspreis:              [●]%*

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<sup>1</sup> Use only if this issue is an increase of an existing issue.

*Nur verwenden, falls es sich bei der aktuellen Emission um die Aufstockung einer Emission handelt.*

### Important Notice

This document constitutes the final terms relating to the issue of Notes described herein (the "**Final Terms**"). These Final Terms have been prepared for the purposes of Article 5(4) of the Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003, as amended by Directive 2010/73/EU of the European Parliament and the Council of 24 November 2010 (the "**Prospectus Directive**") and must be read in conjunction with the prospectus dated 3 June 2016 [(, as supplemented by the supplement(s) to the prospectus dated [●]),] (the "**Base Prospectus**") which constitute(s) a base prospectus for the purposes of the Prospective Directive. The Base Prospectus and any supplement thereto are available for viewing in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of the Otto Group ([www.ottogroup.com](http://www.ottogroup.com)). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus.

[This Document must be read in conjunction with the Base Prospectus, save in respect of the Terms and Conditions which are extracted from the terms and conditions contained in the base prospectus [*insert specification, original date and any relevant supplements*], which have been incorporated by reference into this Base Prospectus [and which are attached hereto].]

[A summary, fully completed for the individual issue of Notes, is annexed to these Final Terms.]<sup>1</sup>

### Wichtiger Hinweis

*Dieses Dokument stellt die endgültigen Bedingungen für die Emission der hierin beschriebenen Schuldverschreibungen dar (die "**Endgültigen Bedingungen**"). Diese Endgültigen Bedingungen wurden für die Zwecke des Artikel 5(4) der Richtlinie 2003/71/EG des Europäischen Parlaments und des Rates vom 4. November 2003, geändert durch die Richtlinie 2010/73/EU des Europäischen Parlaments und des Rates vom 24. November 2010 (die "**Prospektrichtlinie**") abgefasst und sind nur mit dem Basisprospekt vom 3. Juni 2016 [(ergänzt durch [den][die] [Nachtrag][Nachträge] zum Basisprospekt vom [●])] (der "**Basisprospekt**"), der einen Basisprospekt im Sinne der Prospektrichtlinie darstellt, gemeinsam zu lesen. Der Basisprospekt sowie etwaige Nachträge können in elektronischer Form auf der Internetseite der Luxemburger Börse ([www.bourse.lu](http://www.bourse.lu)) und der Internetseite der Otto Group ([www.ottogroup.com](http://www.ottogroup.com)) eingesehen werden. Vollständige Informationen in Bezug auf die Emittentin und das Angebot sind nur in der Gesamtheit dieser Endgültigen Bedingungen und dem Basisprospekt enthalten.*

*[Dieses Dokument ist in Verbindung mit dem Basisprospekt zu lesen, mit Ausnahme der Emissionsbedingungen, die den in dem Basisprospekt [Bezeichnung, ursprüngliches Datum sowie etwaige Nachträge einfügen] enthaltenen Emissionsbedingungen entnommen wurden, und die per Verweis in den Basisprospekt einbezogen [und als Anhang beigefügt] sind.]*

*[Eine für die einzelne Emission von Schuldverschreibungen vollständig ausgefüllte Zusammenfassung ist diesen Endgültigen Bedingungen beigefügt.]<sup>2</sup>*

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<sup>1</sup> Not applicable in the case of an issue of Notes with a minimum denomination of at least EUR 100,000 or EUR 100,000 equivalent of any other currency.

<sup>2</sup> Nicht anwendbar im Fall einer Emission von Schuldverschreibungen mit einer Mindeststückelung in Höhe von mindestens EUR 100.000 oder dem entsprechenden Betrag einer anderen Währung.

## PART I – CONTRACTUAL TERMS

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

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

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

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

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

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

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

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 subparagraphs. Footnotes denote directions for completing the Final Terms. The blanks in the provisions of the Terms and Conditions, which are applicable to the Notes shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the blanks of such provisions. All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the Terms and Conditions applicable to the Notes (the "**Conditions**").]

## TEIL I – VERTRAGLICHE REGELUNGEN

- [A. ***Falls die für die betreffende Serie von Schuldverschreibungen geltenden Optionen durch Wiederholung der betreffenden im Basisprospekt als Option I oder Option II aufgeführten Angaben (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) bestimmt und die betreffenden Leerstellen vervollständigt werden, einfügen:***<sup>4</sup>]

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

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

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

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

<sup>4</sup> In Abstimmung mit der Emittentin festzulegen. Es ist vorgesehen, dass diese Form der Dokumentation der Anleihebedingungen erforderlich ist, wenn die Schuldverschreibungen insgesamt oder teilweise anfänglich an nicht qualifizierte Anleger verkauft oder öffentlich angeboten werden. Alle Bezugnahmen auf B. Teil I der Endgültigen Bedingungen einschließlich der Paragraphen und Absätze der Programmanleihebedingungen entfernen.

[B. *[Falls die für die betreffende Serie von Schuldverschreibungen geltenden Optionen durch Verweisung auf die betreffenden im Basisprospekt als Option I oder Option II aufgeführten Angaben (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) bestimmt werden, einfügen:]*

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

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

*Anwendbare Bestimmung einfügen oder als "Nicht anwendbar" (N/A) kennzeichnen. Es ist zu beachten, dass die Reihenfolge der Nummerierung unverändert bleibt, auch wenn einzelne Abschnitte oder Unterabschnitte als "nicht anwendbar" gekennzeichnet sind. Fußnoten kennzeichnen Erläuterungen für die Bearbeitung der Endgültigen Bedingungen. Die Leerstellen in den auf die Schuldverschreibungen anwendbaren Bestimmungen der Anleihebedingungen gelten als durch die in den Endgültigen Bedingungen enthaltenen Angaben ausgefüllt, als ob die Leerstellen in den betreffenden Bestimmungen durch diese Angaben ausgefüllt wären. Sämtliche Bestimmungen der Anleihebedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen, die weder angekreuzt noch ausgefüllt oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Anleihebedingungen (die "**Bedingungen**") gestrichen.]*

## § 1 Currency, Denomination, Form

### § 1 Währung, Stückelung, Form

Specified Currency: [●]  
*Festgelegte Währung:* [●]  
Aggregate Principal Amount: [●]<sup>5</sup>  
*Gesamtnennbetrag:* [●]<sup>6</sup>  
Specified Denomination: [●]<sup>7</sup>  
*Festgelegter Nennbetrag:* [●]<sup>8</sup>

Clearing System(s)

*Clearingsystem(e)*

- Clearstream, Frankfurt
- Clearstream, Luxembourg / Euroclear

Global Note

*Globalurkunde*

- Classical Global Note  
*Classical Global Note*
- New Global Note  
*New Global Note*

Tefra

*Tefra*

- Tefra D
- Tefra D*

---

<sup>5</sup> Insert currency and amount of the Tranche.

<sup>6</sup> *Währung und Betrag der Tranche einfügen.*

<sup>7</sup> The minimum Specified Denomination of the Notes will be, if in euro, EUR 1,000, and, if in any currency other than euro, an amount in such other currency at least equivalent to EUR 1,000 at the time of the issue of the Notes. Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom of Great Britain and Northern Ireland or whose issue otherwise constitutes a contravention of section 19 of the FSMA and which have a maturity of less than one year must have a minimum denomination redemption value of £100,000 (or its equivalent in other currencies).

<sup>8</sup> *Der Festgelegte Nennbetrag der Schuldverschreibungen beträgt mindestens EUR 1.000, bzw., falls die Schuldverschreibungen in einer anderen Währung als Euro begeben werden, einem Betrag in dieser anderen Währung, der zur Zeit der Begebung der Schuldverschreibungen mindestens dem Gegenwert von EUR 1.000 entspricht. Schuldverschreibungen (einschließlich auf Pfund Sterling lautende Schuldverschreibungen), bei denen der Emissionserlös von der Emittentin im Vereinigten Königreich von Großbritannien und Nordirland entgegengenommen wird oder sofern durch deren Emission ein anderer Verstoß gegen section 19 der FSMA vorliegt und die eine Laufzeit von weniger als einem Jahr haben, müssen einen Mindestrückzahlungswert je Stückelung von £100,000 (oder dem Äquivalent in einer anderen Währung) haben.*

§ 3 Interest

§ 3 Zinsen

Fixed Rate Notes (Option I):

***Festverzinsliche Schuldverschreibungen  
(Option I):***

Rate of Interest: [●] per cent. per annum

*Zinssatz:* [●]% per annum

Interest Commencement Date: [●]

*Verzinsungsbeginn:* [●]

Interest Payment Date(s): [●]

*Zinszahlungstag(e):* [●]

First Interest Payment Date: [●]

*Erster Zinszahlungstag:* [●]

Initial Broken Interest Amount per Specified Denomination: [●]

*Anfänglicher Bruchteilzinsbetrag je Festgelegtem Nennbetrag:* [●]

Interest Payment Date preceding the Maturity Date: [●]

*Dem Endfälligkeitstag vorausgehender Zinszahlungstag:* [●]

Final Broken Interest Amount per Specified Denomination: [●]

*Abschließender Bruchteilzinsbetrag je Festgelegtem Nennbetrag:* [●]

Day Count Fraction

*Zinstagequotient*

Actual/Actual (ICMA)

Determination Date(s): [●]<sup>9</sup>

*Feststellungstermin(e):* [●]<sup>10</sup>

Actual/Actual – ISDA

Actual/365 (Fixed)

Actual/360

30/360 / 360/360 / Bond Basis

30E/360 / Eurobond Basis

<sup>9</sup> Only to be completed for an issue of fixed rate Notes where Day Count Fraction is Actual/Actual (ICMA). Insert regular interest payment dates, ignoring issue date or Maturity Date in the case of a long or short first or last coupon.

<sup>10</sup> Nur zu vervollständigen für Emissionen von festverzinslichen Schuldverschreibungen, deren Zinstagequotient Actual/Actual (ICMA) ist. Reguläre Zinszahlungstage mit Ausnahme des Begebungstags und des Fälligkeitstags im Falle von kurzen oder langen ersten oder letzten Zinsperioden einfügen.

**Floating Rate Notes (Option II):**

***Variabel verzinsliche Schuldverschreibungen  
(Option II):***

Interest Payment Dates

*Zinszahlungstage*

- Interest Commencement Date: [●]  
*Verzinsungsbeginn:* [●]  
 Specified Interest Payment Date(s): [●]  
*Festgelegte Zinszahlungstag(e):* [●]  
 Specified Interest Period(s): [[specify number] [weeks / months]]  
*Festgelegte Zinsperiode(n):* [[Zahl einfügen] [Wochen / Monate]]

Business Day Convention:

*Geschäftstagekonvention:*

- Modified Following Business Day Convention (adjusted)  
 FRN Convention (adjusted)  
 Following Business Day Convention (adjusted)  
 Preceding Business Day Convention (adjusted)

Business Day

*Geschäftstag*

- TARGET  
 Relevant financial centre(s) [●]  
*Relevante(s) Finanzzentrum(en)* [●]

Rate of Interest

*Zinssatz*

Reference Rate:

*Referenzsatz:*

- EURIBOR  
Interest Determination Date: The second TARGET Business Day prior to the commencement of the relevant Interest Period  
*Zinsfestsetzungstag:* *Der zweite TARGET Geschäftstag vor Beginn der jeweiligen Zinsperiode*  
 LIBOR  
Interest Determination Date: The [first][second] London Business Day [prior to the commencement] of the relevant Interest Period



<i>Zinsfestsetzungstag:</i>	<i>Der [erste][zweite] Londoner Geschäftstag [vor Beginn] der jeweiligen Zinsperiode</i>
<input type="checkbox"/> Margin:	[●] per cent.
<i>Marge:</i>	[●]%
<input type="checkbox"/> plus	
<i>zuzüglich</i>	
<input type="checkbox"/> minus	
<i>abzüglich</i>	
<input type="checkbox"/> Minimum Rate of Interest:	[●] per cent. per annum
<i>Mindestzinssatz:</i>	[●]% per annum
<input type="checkbox"/> Maximum Rate of Interest:	[●] per cent. per annum
<i>Höchstzinssatz:</i>	[●]% per annum
Day Count Fraction:	
<i>Zinstagequotient:</i>	
<input type="checkbox"/> Actual/Actual – ISDA	
<input type="checkbox"/> Actual/365 (Fixed)	
<input type="checkbox"/> Actual/360	
<input type="checkbox"/> 30/360 / 360/360 / Bond Basis	
<input type="checkbox"/> 30E/360 / Eurobond Basis	

#### § 4 Redemption

#### § 4 Rückzahlung

Maturity Date:	[●] <sup>11</sup>
<i>Endfälligkeitstag:</i>	[●] <sup>12</sup>
Redemption month/year:	[●] <sup>13</sup>
<i>Rückzahlungsmonat/-jahr:</i>	[●] <sup>14</sup>
Redemption at the Specified Denomination at the option of the Issuer (§ 4(c))	[Yes/No]
<i>Vorzeitige Rückzahlung zum Festgelegten Nennbetrag nach Wahl der Emittentin (§ 4(c))</i>	[Ja/Nein]
Call Redemption Date(s):	[●]
<i>Call-Rückzahlungstag(e):</i>	[●]
Redemption at the Early Redemption Amount at the option of the Issuer (§ 4[(c)][(d)])	[Yes/No] <sup>15</sup>

<sup>11</sup> Specify date for fixed rate Notes or for floating rate Notes with specified maturity date.

<sup>12</sup> *Genaues Datum für festverzinsliche Schuldverschreibungen bzw. für variable verzinsliche Schuldverschreibungen mit festgelegtem Endfälligkeitstag angeben.*

<sup>13</sup> Specify relevant month and year for floating rate Notes with no specified maturity date.

<sup>14</sup> *Betreffenden Monat und Jahr für variabel verzinsliche Schuldverschreibungen ohne festgelegten Endfälligkeitstag angeben.*

<sup>15</sup> Only to be completed for an issue of fixed rate Notes.

Vorzeitige Rückzahlung zum Vorzeitigen Rückzahlungsbetrag nach Wahl der Emittentin (§ 4 [(c)][(d)])

[Ja/Nein]<sup>16</sup>

Comparable Benchmark Yield of:

plus [●] per cent.

Vergleichbare Benchmark Rendite der:

zzgl. [●]%

- euro denominated benchmark debt security of the Federal Republic of Germany

[specify the following details: ISIN or other securities code, relevant screenpage at Bloomberg or Reuters and relevant time]

*Euro-Referenz-Anleihe der Bundesrepublik Deutschland*

[folgende Einzelheiten einfügen: ISIN oder andere Wertpapierkennung, entsprechende Bildschirmseite von Bloomberg oder Reuters und maßgebliche Uhrzeit]

- United Kingdom of Great Britain and Northern Ireland government Sterling denominated benchmark debt security issued by HM Treasury

[specify the following details: ISIN or other securities code, relevant screenpage at Bloomberg or Reuters and relevant time]

*durch HM Treasury begebenen Sterling-Referenzanleihe des Vereinigten Königreich von Großbritannien und Nordirlands*

[folgende Einzelheiten einfügen: ISIN oder andere Wertpapierkennung, entsprechende Bildschirmseite von Bloomberg oder Reuters und maßgebliche Uhrzeit]

- Swiss franc denominated benchmark federal bond of the Swiss Confederation

[specify the following details: ISIN or other securities code, relevant screenpage at Bloomberg or Reuters and relevant time]

*Schweizer Franken-Referenz-Bundesanleihe der Schweizerischen Eidgenossenschaft*

[folgende Einzelheiten einfügen: ISIN oder andere Wertpapierkennung, entsprechende Bildschirmseite von Bloomberg oder Reuters und maßgebliche Uhrzeit]

- USD denominated benchmark U.S. Treasury debt security

[specify the following details: ISIN or other securities code, relevant screenpage at Bloomberg or Reuters and relevant time]

*Referenz-U.S. Staatsanleihe (US Treasury debt security) in USD*

[folgende Einzelheiten einfügen: ISIN oder andere Wertpapierkennung, entsprechende Bildschirmseite von Bloomberg oder Reuters und maßgebliche Uhrzeit]

- Other currencies

*Andere Währungen*

- Other relevant benchmark

[specify]

[specify the following details: ISIN or other securities code, relevant screenpage at Bloomberg or Reuters and relevant time]

*Andere Referenzanleihe*

[angeben]

[folgende Einzelheiten einfügen: ISIN oder andere Wertpapierkennung, entsprechende Bildschirmseite von Bloomberg oder Reuters und maßgebliche Uhrzeit]

<sup>16</sup> Nur zu vervollständigen für Emissionen von festverzinslichen Schuldverschreibungen.

Calculation Agent:	[●]
<i>Berechnungsstelle:</i>	[●]
Redemption at the option of a Noteholder (§ 4[(f)][(g)](i))	[Yes/No]
<i>Vorzeitige Rückzahlung nach Wahl des Anleihegläubigers (§ 4[(f)][(g)](i)):</i>	[Ja/Nein]
Put Redemption Date(s):	[●]
<i>Put-Rückzahlungstag(e):</i>	[●]

## § 5 Payments

### § 5 Zahlungen

Financial centre(s) relating to Payment Business Dates:	[Not applicable][●] <sup>17</sup>
<i>Finanzzentrum (-zentren) in Bezug auf Zahltag(e):</i>	[Nicht anwendbar][●] <sup>18</sup>
Financial centre(s) relating to § 5 (e)	[Not applicable][●] <sup>19</sup>
<i>Finanzzentrum (-zentren) in Bezug auf § 5(e)</i>	[Nicht anwendbar][●] <sup>20</sup>
Calculation Agent	[Not applicable][insert name] <sup>21</sup>
<i>Berechnungsstelle</i>	[Nicht anwendbar][Namen angeben] <sup>22</sup>

## § 9 Fiscal Agent, Paying Agent(s) [and Calculation Agent]

### § 9 Fiscal Agent, Zahlstelle(n) [und Berechnungsstelle]

<input type="checkbox"/> Paying Agent:	Deutsche Bank Aktiengesellschaft Taunusanlage 12 D-60325 Frankfurt am Main
<i>Zahlstelle:</i>	<i>Deutsche Bank Aktiengesellschaft Taunusanlage 12 D-60325 Frankfurt am Main</i>
<input type="checkbox"/> Paying Agent:	[insert name and address]
<i>Zahlstelle:</i>	[Angabe von Name und Adresse]
<input type="checkbox"/> Calculation Agent:	[insert name and address]
<i>Berechnungsstelle:</i>	[Angabe von Name und Adresse]

## § 14 Amendments to the Conditions by resolution of the Noteholders; Joint Representative

### § 14 Änderung der Bedingungen durch Beschluss der Anleihegläubiger; Gemeinsamer Vertreter

<input type="checkbox"/> Amendments to the Conditions by resolution of Noteholders; Joint Representative	[Applicable / not applicable]
--	-------------------------------

<sup>17</sup> Only to be completed for an issue of fixed rate Notes and if the Specified Currency is not Euro.

<sup>18</sup> Nur zu vervollständigen für Emissionen von festverzinslichen Schuldverschreibungen und wenn die Festgelegte Währung nicht auf Euro lautet.

<sup>19</sup> Only to be completed for an issue of fixed rate Notes and if the Specified Currency is Renminbi.

<sup>20</sup> Nur zu vervollständigen für Emissionen von festverzinslichen Schuldverschreibungen und wenn die Festgelegte Währung auf Renminbi lautet.

<sup>21</sup> Only to be completed for an issue of fixed rate Notes and if the Specified Currency is Renminbi.

<sup>22</sup> Nur zu vervollständigen für Emissionen von festverzinslichen Schuldverschreibungen und wenn die Festgelegte Währung auf Renminbi lautet.

*Änderung der Bedingungen durch Beschluss der Anleihegläubiger; Gemeinsamer Vertreter*

- Appointment of a joint representative in the Terms and Conditions

*Bestellung eines gemeinsamen Vertreters in den Anleihebedingungen*

*Name, address, contact details of the joint representative* [give details]

*Name, Adresse, Kontaktdaten des gemeinsamen Vertreters* [Angabe von Einzelheiten]

§ [14][15] Language<sup>23</sup>

§ [14][15] Sprache<sup>24</sup>

- German and English, German binding

*Deutsch und Englisch, Deutsch bindend*

- English only

*Nur Englisch*

**PART II – OTHER INFORMATION<sup>25</sup>**

**TEIL II – ANDERE INFORMATIONEN<sup>26</sup>**

**Essential information**

**Grundlegende Angaben**

**Public Offer of Securities:**

**Öffentliches Wertpapierangebot:**

- Countries where the offer to the public takes place

[give details]<sup>27</sup>  
[Luxembourg]  
[Republic of Austria]  
[Federal Republic of Germany]  
[The Netherlands]

- Public offer in Luxembourg

Requires a notice before the commencement of the offer to be published on the website *www.bourse.lu* of the Luxembourg Stock Exchange

<sup>23</sup> To be determined in consultation with the Issuer.

<sup>24</sup> *In Abstimmung mit der Emittentin festzulegen.*

<sup>25</sup> There is no obligation to complete Part II of the Final Terms in its entirety in case of Notes with a Specified Denomination of at least EUR 100,000 or its equivalent in any other currency, provided that such Notes will not be listed on any regulated market within the European Economic Area. To be completed in consultation with the Issuer.

<sup>26</sup> *Es besteht keine Verpflichtung, Teil II der Endgültigen Bedingungen bei Schuldverschreibungen mit einem Festgelegten Nennbetrag von mindestens EUR 100.000 oder dem Gegenwert in einer anderen Währung vollständig auszufüllen, sofern diese Schuldverschreibungen nicht an einem geregelten Markt innerhalb des Europäischen Wirtschaftsraums zum Handel zugelassen werden. In Absprache mit der Emittentin auszufüllen.*

<sup>27</sup> In the case the Issuer requests the CSSF in its capacity as Competent Authority to provide competent authorities in host Member States within the European Economic Area with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Luxembourg Prospectus Law and a supplement to the Base Prospectus has been prepared.

*Länder, in denen die Schuldverschreibungen öffentlich angeboten werden*

*[Angabe von Einzelheiten]<sup>28</sup>  
[Luxembourg]  
[Republik Österreich]  
[Bundesrepublik Deutschland]  
[Niederlande]*

- Öffentliches Angebot in Luxemburg  
Bedarf einer Mitteilung vor Beginn des Angebots auf der Internetseite "www.bourse.lu" der Luxemburger Wertpapierbörse*

**Admission to trading**

[Not applicable] [specify details]

**Einbeziehung in den Handel**

[Nicht anwendbar] [Einzelheiten einfügen]

**Rating of the Notes**

**Rating der Schuldverschreibungen**

- The Notes to be issued have not been rated  
*Die Schuldverschreibungen sind nicht geratet.*

- The Notes to be issued have been rated as follows:<sup>29</sup>  
*Die Schuldverschreibungen wurden wie folgt geratet.<sup>30</sup>*

- |                                     |                      |
|-------------------------------------|----------------------|
| <input type="checkbox"/> S&P:       | <b>[●]</b>           |
| <input type="checkbox"/> Moody's:   | <b>[●]</b>           |
| <input type="checkbox"/> A.M. Best: | <b>[●]</b>           |
| <input type="checkbox"/> Other:     | <b>[Other]: [●]</b>  |
| Andere                              | <b>[Andere]: [●]</b> |

[[Each such] [The] rating agency is established in the European Union and registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended from time to time, and is included in the list of registered rating agencies published on the website of the European Securities and Markets Authority at [http://www.esma.europa.eu/page/List-registered-and-certified-CRAs.](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs)]

*[[Jede dieser] [Die] Ratingagentur[en] ist in der europäischen Union ansässig und unter der Verordnung (EG) Nr. 1060/2009 des*

<sup>28</sup> Für den Fall, dass die Emittentin die CSSF als zuständige Behörde um Übermittlung der Bescheinigung über die Billigung des Basisprospekts, aus der hervorgeht, dass der Basisprospekt gemäß dem Luxemburger Prospektrecht erstellt wurde, an die zuständigen Behörden der Aufnahmemitgliedstaaten innerhalb des Europäischen Wirtschaftsraumes bittet und ein Nachtrag zum Basisprospekt erstellt wird.

<sup>29</sup> Include brief explanation of the meaning of the rating if this has previously been published by the rating provider.

<sup>30</sup> Kurze Erläuterung der Bedeutung des Ratings aufnehmen, sofern zuvor von der Ratingagentur veröffentlicht.

*Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen, in der jeweils gültigen Fassung, registriert und in der Liste der registrierten Ratingagenturen enthalten, die auf der Internetseite <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> der Europäischen Wertpapier- und Marktaufsichtsbehörde veröffentlicht ist.]*

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

***Interessen von natürlichen oder juristischen Personen, die bei der Emission/dem Angebot beteiligt sind***

- [So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.]:

*[Soweit es der Emittentin bekannt ist, hat keine Person, die bei dem Angebot der Schuldverschreibungen beteiligt ist, Interessen, die für das Angebot von wesentlicher Bedeutung sind.]*

- Other interest (specify)

[specify details]

*Andere Interessen (angeben)*

*[Einzelheiten einfügen]*

**Reasons for the offer, estimated net proceeds and total expenses**

***Gründe für das Angebot, geschätzter Nettoerlös und Gesamtkosten der Emission***

Reasons for the offer:<sup>31</sup>

[specify details]

*Gründe für das Angebot:*<sup>32</sup>

*[Einzelheiten einfügen]*

Estimated net proceeds:

[•]

*Geschätzter Nettoerlös:*

[•]

Estimated total expenses of the issue:

[•]

*Geschätzte Gesamtkosten der Emission:*

[•]

Yield (*Fixed Rate Notes only*)

[Not applicable][•]

*Rendite (nur bei festverzinslichen Schuldverschreibungen)*

*[Nicht anwendbar][•]*

Historic Interest Rates and further performance as well as volatility (*Floating Rate Notes only*)<sup>33</sup>

*Zinssätze der Vergangenheit und künftige*

<sup>31</sup> See paragraph "Use of Proceeds" in the Prospectus. If reasons for the offer are different from general financing purposes of Otto Group include those reasons here. Not to be completed in case of Notes with a Specified Denomination of at least EUR 100,000.

<sup>32</sup> *Siehe Abschnitt "Use of Proceeds" im Prospekt. Sofern die Gründe für das Angebot nicht in allgemeinen Finanzierungszwecken der Otto Group bestehen, sind die Gründe hier anzugeben. Nicht auszufüllen bei Schuldverschreibungen mit einem Festgelegten Nennbetrag von mindestens EUR 100.000.*

<sup>33</sup> Not applicable in the case of an issue of Notes with a Specified Denomination of at least EUR 100,000.

Entwicklungen sowie ihre Volatilität (nur bei variabel verzinslichen Schuldverschreibungen)<sup>34</sup>

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

Reuters [EURIBOR01][LIBOR01]

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

Reuters [EURIBOR01][LIBOR01]

- Representation of debt security holders including an identification of the organisation representing the investors and provisions applying to such representation. Indication of where the public may have access to the contracts relating to these forms of representation.<sup>35</sup>

[Not applicable] [insert name, address, contact details of the joint representative]

*Vertretung der Schuldtitelinhaber unter Angabe der die Anleger vertretenden Organisation und der für diese Vertretung geltenden Bestimmungen. Angabe des Ortes, an dem die Öffentlichkeit die Verträge, die diese Repräsentationsformen regeln, einsehen kann.<sup>36</sup>*

*[Nicht anwendbar] [Name, Adresse, Kontaktdaten des gemeinsamen Vertreters einfügen]*

## Distribution

### Angaben zur Platzierung

Method of distribution.<sup>37</sup>

*Art der Platzierung.<sup>38</sup>*

- Syndicated

*Syndiziert*

- Non-syndicated

*Nicht syndiziert*

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, or the placers in the various countries where the offer takes place:

[give details]

*Name und Anschrift des Koordinators/der Koordinatoren des globalen Angebots oder einzelner Teile des Angebots - sofern der Emittentin oder dem Anbieter bekannt - in den einzelnen Ländern des Angebots:*

*[Angabe von Einzelheiten]*

<sup>34</sup> Nicht anwendbar im Fall einer Emission von Schuldverschreibungen mit einer festgelegten Nennbetrag in Höhe von mindestens EUR 100.000.

<sup>35</sup> Specify further details in the case a Noteholders' Representative will be appointed in § 14 of the Terms and Conditions.

<sup>36</sup> Weitere Einzelheiten für den Fall einfügen, dass gemäß § 14 der Anleihebedingungen ein Gemeinsamer Vertreter bestellt wird.

<sup>37</sup> Not required in the case of an issue of Notes with a Specified Denomination of at least EUR 100,000.

<sup>38</sup> Nicht erforderlich im Fall einer Emission von Schuldverschreibungen mit einem festgelegten Nennbetrag in Höhe von mindestens EUR 100.000.

- If syndicated, names and addresses [and underwriting commitments]<sup>39</sup> of Lead Manager(s) and Manager(s): [give details]<sup>40</sup>
- Falls syndiziert: Namen und Adressen [und Übernahmeverpflichtungen]<sup>41</sup> des oder der Lead Manager und der Manager:* [Angabe von Einzelheiten]<sup>42</sup>
- Date of Subscription Agreement: [insert date]
- Datum des Übernahmevertrages:* [Datum angeben]
- Stabilising Manager(s): [None][give name]
- Stabilising Manager(s):* [Keiner][Angabe des Namens]
- If non-syndicated, name and address of Dealer: [give name]
- Falls nicht syndiziert, Name und Adresse des Dealers:* [Angabe des Namens]
- Dealer's commission:<sup>43</sup> [•]
- Provision der Dealer:*<sup>44</sup> [•]
- If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate such tranche [give details]
- Erfolgt das Angebot gleichzeitig auf den Märkten zwei oder mehrerer Länder und wurde/ wird eine bestimmte Tranche einigen dieser Märkte vorbehalten, Angabe dieser Tranche* [Angabe von Einzelheiten]
- Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made [give details]
- Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist* [Angabe von Einzelheiten]

## Operational Information

### Technische Angaben

#### Security Codes

##### Wertpapierkennung

ISIN: [•]

Common Code: [•]

<sup>39</sup> Not required in the case of an issue of Notes with a Specified Denomination of at least EUR 100,000.

<sup>40</sup> Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.

<sup>41</sup> Nicht erforderlich im Fall einer Emission von Schuldverschreibungen mit einem Festgelegten Nennbetrag in Höhe von mindestens EUR 100.000.

<sup>42</sup> Namen und Adressen der Institute einfügen, die bereit sind, eine Emission auf fester Zusagebasis zu übernehmen und Einzelheiten über Institute, die bereit sind ohne feste Zusage oder gemäß Vereinbarungen "zu den bestmöglichen Bedingungen" zu platzieren, falls diese nicht mit den Managern identisch sind.

<sup>43</sup> Including discretionary fee, if any (insert up to amount). Not required in the case of an issue of Notes with a Specified Denomination of at least EUR 100,000.

<sup>44</sup> Gegebenenfalls einschließlich sog. 'discretionary fee' (bis zu Betrag angeben). Nicht erforderlich im Fall einer Emission von Schuldverschreibungen mit einem Festgelegten Nennbetrag in Höhe von mindestens EUR 100.000.



WKN:

[•]

ECB eligibility

*Verwahrung in EZB-fähiger Form*

Classical Global Note

New Global Note

Intended to be held in a manner which would allow ECB eligibility

[Yes/No]

*Soll in EZB-fähiger Weise gehalten werden*

*[Ja/Nein]*

[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the international central securities depositories (ICSDs) as common safekeeper, and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intraday 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.]

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]

*[Ja. Es wird darauf hingewiesen, dass Ja" hier lediglich bedeutet, dass die Schuldverschreibungen nach ihrer Begebung bei einer der internationalen zentralen Verwahrstellen (ICSDs) als gemeinsame Sicherheitsverwahrstelle (common safekeeper) verwahrt werden. Ja" bedeutet nicht notwendigerweise, dass die Schuldverschreibungen zum Zeitpunkt ihrer Emission oder zu einem anderen Zeitpunkt während ihrer Laufzeit als geeignete Sicherheit im Sinne der Geldpolitik des Eurosystems und für Zwecke der untertägigen Kreditfähigkeit durch das Eurosystem anerkannt werden. Eine solche Anerkennung hängt davon ab, ob die EZB die Kriterien der Eignung des Eurosystems als erfüllt ansieht.]*

*[Nein. Im Falle der Nichtanwendbarkeit dieses Punktes zum Zeitpunkt dieser Endgültigen Bedingungen könnten die Schuldverschreibungen bei einer der internationalen zentralen*

*Verwahrstellen (ICSDs) als gemeinsame Sicherheitsverwahrstelle (common safekeeper) eingereicht werden, wenn die Kriterien der Eignung des Eurosystems zu einem späteren Zeitpunkt so geändert werden, dass die Schuldverschreibungen diese erfüllen könnten. Das bedeutet nicht notwendigerweise, dass die Schuldverschreibungen dann als geeignete Sicherheit im Sinne der Geldpolitik des Eurosystems und für Zwecke der untertägigen Kreditfähigkeit durch das Eurosystem anerkannt würden. Eine solche Anerkennung hängt davon ab, ob die EZB die Kriterien der Eignung des Eurosystems als erfüllt ansieht.]*

## Terms and Conditions of the Offer<sup>45</sup>

### *Bedingungen des Angebots*<sup>46</sup>

Issue Price at which the Notes will be offered: [insert percentage rate] per cent.

*Emissionspreis, zu dem die Schuldverschreibungen voraussichtlich angeboten werden:* [Prozentsatz einfügen]%

Conditions to which the offer is subject:

*Bedingungen, denen das Angebot unterliegt:*

Total amount of the offer; if the amount is not fixed, description of the arrangements and time for announcing to the public the definitive amount of the offer: [give details]

*Gesamtsumme der des Angebots wenn die Summe nicht feststeht, Beschreibung der Vereinbarungen und des Zeitpunkts für die Ankündigung des endgültigen Angebotsbetrags an das Publikum:* [Angabe von Einzelheiten]

Time period, including any possible amendments, during which the offer will be open and description of the application process: [give details]

*Frist – einschließlich etwaiger Änderungen – während der das Angebot vorliegt und Beschreibung des Antragsverfahrens:* [Angabe von Einzelheiten]

Description of possible reduction of subscriptions and manner of refunding excess amount paid by applicants: [give details]

*Beschreibung der Möglichkeit zur Reduzierung der Zeichnungen und der Art und Weise der Rückerstattung des zuviel gezahlten Betrages an die Zeichner:* [Angabe von Einzelheiten]

<sup>45</sup> Complete with respect to a public offer of Notes with a Specified Denomination of less than EUR 100,000.

<sup>46</sup> Bei öffentlichem Angebot von Schuldverschreibungen mit einem Festgelegten Nennbetrag von weniger als EUR 100.000 auszufüllen.

Details of the minimum and/or maximum amount of application:	[give details]
<i>Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung:</i>	<i>[Angabe von Einzelheiten]</i>
Method and time limits for paying up and delivering the Notes:	[give details]
<i>Methode und Fristen für die Bedienung der Wertpapiere und ihre Lieferung:</i>	<i>[Angabe von Einzelheiten]</i>
Manner and date on which results of the offer are to be made public:	[give details]
<i>Art und Weise und Termin, auf die bzw. an dem die Ergebnisse des Angebots offen zu legen sind:</i>	<i>[Angabe von Einzelheiten]</i>
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[give details]
<i>Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Übertragbarkeit der Zeichnungsrechte und die Behandlung von nicht ausgeübten Zeichnungsrechten:</i>	<i>[Angabe von Einzelheiten]</i>
Amount of expenses and taxes charged to the subscriber/purchaser	[not applicable][specify amount]
<i>Kosten/Steuern, die dem Zeichner/Käufer in Rechnung gestellt werden:</i>	<i>[nicht anwendbar][Betrag einfügen]</i>

#### **Consent to use of Prospectus<sup>47</sup>**

#### ***Zustimmung zur Verwendung des Prospekts<sup>48</sup>***

The Issuer consents to the use of the Base Prospectus by the following Dealer(s) and/or financial intermediary(y)(ies) (individual consent):	[insert name(s) and address(es)]
<i>Die Emittentin stimmt der Verwendung des Basisprospekts durch den/die folgenden Dealer und/oder Finanzintermediär(e) (individuelle Zustimmung) zu:</i>	<i>[Name(n) und Adresse(n) einfügen]</i>
Individual consent for the subsequent resale or final placement of Securities by the Dealer(s) and/or financial intermediary(ies) is given in relation to:	[Luxembourg][,][and][Austria][,][and][Germany][,] [and] [The Netherlands][,][and][insert Member State into which the Prospectus has been passported based on a supplement to this Prospectus] to [insert name(s) of the Dealer(s) and/or financial intermediary(ies)]
<i>Individuelle Zustimmung zu der späteren Weiterveräußerung und der endgültigen Platzierung der Wertpapiere durch (den) (die) Dealer und/oder Finanzintermediär(e) wird gewährt in Bezug auf:</i>	<i>[Luxemburg][,][und][Österreich][,][und][Deutschland][,][und][die Niederlande][,][und][Mitgliedstaat einfügen, in den der Prospekt auf Basis eines Nachtrags notifiziert wurde] für [Name(n) [des][der]Dealer(s) und/oder [des][der]Finanzintermediär(s)(e)]</i>

<sup>47</sup> Complete with respect to a public offer of Notes with a Specified Denomination of less than EUR 100,000.

<sup>48</sup> Bei öffentlichem Angebot von Schuldverschreibungen mit einem festgelegten Nennbetrag von weniger als EUR 100.000 auszufüllen.

The subsequent resale or final placement of Notes [insert period] by the Dealer(s) and/or financial intermediary(y)(ies) can be made during the following offer period:

*Die spätere Weiterveräußerung und endgültige Platzierung der Wertpapiere durch den/die Dealer und/oder Finanzintermediär(e) kann während der folgenden Angebotsfrist durchgeführt werden:* [Zeitraum einfügen]

Such consent is also subject to and given under the condition: [give details]

*Ferner erfolgt diese Zustimmung vorbehaltlich:* [Angabe von Einzelheiten]

### **Authorisation**

The issue of this Tranche of Notes was authorised by a resolution of the Management Board (*Vorstand*) of Otto (GmbH & Co KG) passed on [●] and a resolution of the Partners' Meeting (*Gesellschafterversammlung*) passed on [●].

### **Genehmigung**

*Die Emission dieser Serie von Schuldverschreibungen wurde durch einen Beschluss des Vorstandes der Otto (GmbH & Co KG) vom [●] und der Gesellschafterversammlung vom [●] genehmigt.*

### **[Third Party Information**

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

### **[Informationen von Seiten Dritter**

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

Signed on behalf of the Issuer:

By:

\_\_\_\_\_

Duly authorised

## GENERAL INFORMATION

### Prospectus Supplement

The Issuer has undertaken, unless it is not intended to issue Notes under the Programme for the time being, that if at any time during the duration of the Programme, if there is a significant new factor, material mistake or inaccuracy relating to information contained in this Base Prospectus which is capable of affecting the assessment of any investment in the Notes and whose inclusion in or removal from this Base Prospectus is necessary for the purpose of allowing an investor to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, and the rights attaching to the Notes, to prepare or procure the preparation of a supplement to this Base Prospectus or, as the case may be, publish a replacement Base Prospectus for use in connection with any subsequent offering of Notes. If at any time the Issuer shall be required to prepare a prospectus supplement pursuant to Article 13 of the Luxembourg Prospectus Law dated 10 July 2005 relating to prospectuses for securities, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus which, in respect of any subsequent issue of Notes to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF operated by the Luxembourg Stock Exchange, shall constitute a prospectus supplement as required by Article 13 of the Luxembourg Prospectus Law dated 10 July 2005 relating to prospectuses for securities.

If the Terms and Conditions (as set out in the Base Prospectus) are modified or amended in a manner which would make the Base Prospectus, supplemented, inaccurate or misleading, a new prospectus will be prepared to the extent required by law.

### Documents Available for Inspection

For so long as Notes may be issued pursuant to this Base Prospectus, copies of the following documents will be available free of charge, during usual business hours on any weekday (Saturdays and public holidays excepted) from the registered office of the relevant Issuer and from the specified office of the Fiscal Agent:

- (i) the Partnership Agreement (*Gesellschaftsvertrag*) of Otto (GmbH & Co KG) and the Articles of Association of the General Partner of the Issuer;
- (ii) the Audited Consolidated Financial Statements of Otto (GmbH & Co KG) for the Fiscal Year ending 29 February 2016 (extracted from Otto (GmbH & Co KG's) Annual Report 2015/2016);
- (iii) the Audited Consolidated Financial Statements of Otto (GmbH & Co KG) for the Fiscal Year ending 28 February 2015 (extracted from Otto (GmbH & Co KG's) Annual Report 2014/2015);
- (iv) each Final Terms for listed Notes;
- (v) a copy of this Base Prospectus together with any supplement to this Base Prospectus or further prospectus; and
- (vi) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Base Prospectus.

In the case of Notes listed on the official list of and admitted to trading on the Euro MTF of the Luxembourg Stock Exchange or publicly offered in the Grand Duchy of Luxembourg, the Final Terms will be displayed on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). In the case of Notes publicly offered in one or more member states of the European Economic Area other than the Grand Duchy of Luxembourg, the Final Terms will be displayed on the website of the Otto Group ([www.ottogroup.com](http://www.ottogroup.com)).

In addition this Base Prospectus (together with any supplement, if any) will be available in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

### Authorisations

Otto (GmbH & Co KG) has obtained all necessary consents, approvals and authorisations in Germany, respectively in connection with the establishment of the Programme. The establishment of the Programme was authorised by a resolution of the Management Board (*Vorstand*) of Otto (GmbH & Co KG) passed on 22 August 2013 and a resolution of the Partner's Meeting (*Gesellschafterversammlung*) of Otto (GmbH & Co KG) passed on 2 August 2013. The issue of any Tranche of Notes by Otto (GmbH & Co KG) must be

authorised by a resolution of the Management Board (*Vorstand*) and the Partner's Meeting (*Gesellschafterversammlung*) as set out in the relevant Final Terms.

### **Legend on Global Notes**

Each Global Note will bear the following legend:

"This note has not been and will not be registered under the U.S. Securities Act of 1933, as amended. Subject to certain exceptions, neither this note nor any portion thereof may be offered, sold or delivered within the United States of America (including the states and the District of Columbia) or its territories or possessions and other areas subject to its jurisdiction or to U.S. persons.

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 U.S. Internal Revenue Code of 1986, as amended".

### **Public Offer**

The Notes may be offered to the public in Luxembourg and/or Austria and/or Germany and/or the Netherlands, as stated in the relevant final terms, into which the Prospectus has been passported in accordance with the respective legal requirements. The Issuer may request the CSSF in its capacity as Competent Authority to provide competent authorities in host Member States within the European Economic Area with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Luxembourg Prospectus Law. In that case a supplement to the Base Prospectus will be prepared.

In each case of a public offer of Notes in Luxembourg, the Issuer will, in due course prior to such public offer of Notes in Luxembourg, publish a notice regarding the impending public offer on the website "[www.bourse.lu](http://www.bourse.lu)" of the Luxembourg Stock Exchange.

### **Notes with a maturity of less than 12 months**

Under the Luxembourg Prospectus Law, prospectuses relating to money market instruments having a maturity at issue of less than 12 months and complying also with the definition of securities are not subject to the approval provisions of Part II of such law.

### **Consent to the use of the Prospectus**

With respect to Article 3 (2) of the Prospectus Directive, the Issuer may consent, to the extent and under the conditions, if any, indicated in the relevant Final Terms, to the use of the Base Prospectus for a certain period of time or as long as the Base Prospectus is valid in accordance with Article 11(2) of the Luxembourg act relating to prospectuses for securities (*Loi relative aux prospectus pour valeurs mobilières*) which implements the Prospectus Directive and accepts responsibility for the content of the Base Prospectus also with respect to subsequent resale or final placement of Notes by any financial intermediary which was given consent to use the prospectus, if any.

Such consent may be given to one or more (individual consent) specified Dealer(s) and/or financial intermediary/intermediaries, as stated in the Final Terms. Specified Dealer(s) and/or financial intermediary/intermediaries may use the prospectus for subsequent resale or final placement in the Grand Duchy of Luxembourg, the Federal Republic of Germany, The Netherlands and the Republic of Austria, into which the Base Prospectus has been passported in accordance with the respective legal requirements and which will be indicated in the relevant Final Terms.

Such consent by the Issuer is subject to each Dealer and/or financial intermediary complying with the Terms and Conditions described in this Base Prospectus and the relevant Final Terms as well as any applicable selling restrictions. The distribution of this Base Prospectus, any supplement to this Base Prospectus, if any, and the relevant Final Terms as well as the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law.

Each Dealer and/or each financial intermediary, if any, and/or each person into whose possession this Base Prospectus, any supplement to this Base Prospectus, if any, and the relevant Final Terms come are required to inform themselves about and observe any such restrictions. The Issuer reserves the right to withdraw its consent to the use of this Base Prospectus in relation to certain Dealers and/or each financial intermediary. A withdrawal, if any, may require a supplement to this Base Prospectus.

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

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

**In the case of an offer being made by a Dealer and/or financial intermediary, this Dealer and/or financial intermediary will provide information to investors on the Terms and Conditions of the Notes and the offer thereof, at the time such offer is made.**

Any new information with respect to financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms will be published on the internet page [www.ottogroup.com](http://www.ottogroup.com).

### **Clearing Systems**

Notes have been accepted for clearance through the Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and Clearstream Banking, société anonyme, 42 Avenue JF Kennedy L-1855, Luxembourg and Clearstream Banking AG, Frankfurt am Main, Mergenthalerallee 61, 65760 Eschborn, Germany. The Common Code, the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.

Notes potentially eligible as collateral for the Eurosystem monetary policy and intra-day credit operations may be (i) deposited with either Clearstream, Frankfurt as classical global notes or (ii) issued in a form compliant with the new global note structure for international bearer debt securities and will be kept in safe custody with a common safekeeper ("CSK") to Euroclear and Clearstream, Luxembourg, the International Central Securities Depositories (the "ICSDs").

If Notes will be issued in the new global note structure this will be set out in the relevant Final Terms.

### **Websites**

For the avoidance of doubt the content of the websites [www.bourse.lu](http://www.bourse.lu), [www.ottogroup.com](http://www.ottogroup.com) and <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> do not form part of this Base Prospectus.

## DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the following documents which have been previously published or are published simultaneously with this Base Prospectus and which have been filed with the CSSF, all of which shall be deemed to be incorporated by reference in, and to form part of, this Base Prospectus and which shall be deemed to modify or supersede the contents of this Base Prospectus to the extent that a statement contained in any such document is inconsistent with such contents. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus with respect to any Notes issued thereafter:

### *Cross Reference List*

Information Incorporated by Reference	Reference
<b>Audited Consolidated Financial Statements of Otto (GmbH &amp; Co KG) for the Fiscal Year ending 29 February 2016 (extracted from Otto (GmbH &amp; Co KG)'s Annual Report 2015/2016, consisting of:</b>	
Consolidated Balance Sheet	Pages 100-101
Consolidated Statement of Comprehensive Income	Page 98
Consolidated Income Statement	Page 99
Consolidated Cash Flow Statement	Pages 102-103
Statement of Changes in Consolidated Equity	Pages 104-105
Notes	Pages 112-201
Auditor's Report	Pages 202-203

Information Incorporated by Reference	Reference
<b>Audited Consolidated Financial Statements of Otto (GmbH &amp; Co KG) for the Fiscal Year ending 28 February 2015 (extracted from Otto (GmbH &amp; Co KG)'s Annual Report 2014/2015 – Otto Group Figures, consisting of:</b>	
Consolidated Balance Sheet	Pages 98-99
Consolidated Statement of Comprehensive Income	Page 96
Consolidated Income Statement	Page 97
Consolidated Cash Flow Statement	Pages 100-101
Statement of Changes in Consolidated Equity	Pages 102-103
Notes	Pages 112-197
Auditor's Report	Pages 198-199

Information Incorporated by Reference	Reference
<b>Otto (GmbH &amp; Co KG) Base Prospectus 2015 for the € 2,000,000 Medium Term Note Programme dated 11 June 2015</b>	
Terms and Conditions of the Notes	Pages 48-100

Information Incorporated by Reference	Reference
<b>Otto (GmbH &amp; Co KG) Base Prospectus 2014 for the € 2,000,000 Medium Term Note Programme dated 15 August 2014</b>	
Terms and Conditions of the Notes	Pages 46-103



Information Incorporated by Reference	Reference
<b>Otto (GmbH &amp; Co KG) Base Prospectus 2013 for the € 2,000,000 Medium Term Note Programme dated 30 August 2013</b>	
Terms and Conditions of the Notes	Pages 45-101

The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of the Prospectus Regulation.

Copies of the documents which are incorporated herein by reference will be available free of charge at the offices of the Issuer as set out at the end of this Base Prospectus.

This Base Prospectus and the documents incorporated by reference are also available for viewing at *www.bourse.lu*.

Registered Office of the Issuer

**Otto (GmbH & Co KG)**  
Werner-Otto-Straße 1-7  
22179 Hamburg  
Germany

Fiscal Agent and Paying Agent

**Deutsche Bank Aktiengesellschaft**  
Trust & Securities Services  
Taunusanlage 12  
D-60325 Frankfurt am Main  
Germany

Luxembourg Listing Agent

**Deutsche Bank Luxembourg S.A.**  
2, Boulevard Konrad Adenauer  
1115 Luxembourg  
Luxembourg

Arranger

**Deutsche Bank Aktiengesellschaft**  
Taunusanlage 12  
60325 Frankfurt am Main  
Germany

Auditors to the Issuer

**KPMG AG Wirtschaftsprüfungsgesellschaft**  
Michaelis Quartier  
Ludwig-Erhard-Str. 11-17  
20459 Hamburg  
Germany

Legal Advisers to the Dealers as to German law

**Linklaters LLP**  
Mainzer Landstraße 16  
60325 Frankfurt am Main  
Germany

Dealers

**Bayerische Landesbank**  
Briener Straße 18  
80333 Munich  
Germany

**Joh. Berenberg, Gossler & Co. KG**  
**Niederlassung Frankfurt**  
Bockenheimer Landstraße 25  
60325 Frankfurt am Main  
Germany

**BNP Paribas**  
10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**Commerzbank Aktiengesellschaft**  
Kaiserstraße 16 (Kaiserplatz)  
60311 Frankfurt am Main  
Germany

**Deutsche Bank Aktiengesellschaft**  
Taunusanlage 12  
D-60325 Frankfurt am Main  
Germany

**DZ BANK AG Deutsche Zentral-  
Genossenschaftsbank, Frankfurt am  
Main**  
Platz der Republik  
60265 Frankfurt am Main  
Germany